UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER 001-38605

GREENLAND TECHNOLOGIES HOLDING CORPORATION

(Exact name of Registrant as specified in its charter)

British Virgin Islands	**001-38605**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
50 Millstone Road, Building 400 Suite 130 East Windsor, NJ	**08512**
(Address of principal executive offices)	(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: **1 (888) 827-4832**

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A ordinary shares, no par value	GTEC	The Nasdaq Stock Market LLC

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

NONE
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter was approximately $21.99 million.

As of March 20, 2026, there were 19,033,149 Class A ordinary shares, no par value per share, of the registrant issued and outstanding.

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Cautionary Note Regarding Forward Looking Statements

This Annual Report on Form 10-K, or this Report, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements, which express management's current views concerning future business, events, trends, contingencies, financial performance, or financial condition, appear at various places in this report and use words like "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "goal," "intend," "likely," "may," "might," "plan," "potential," "predict," "project," "see," "seek," "should," "strategy," "strive," "target," "will," and "would" and similar expressions, and variations or negatives of these words. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. These risks and uncertainties include the following:

- the availability and adequacy of our cash flow to meet our requirements;
- economic, competitive, demographic, business, and other conditions in our local and regional markets;
- changes or developments in laws, regulations, or taxes in our industry;
- actions taken or omitted to be taken by third parties including our suppliers and competitors, as well as legislative, regulatory, judicial, and other governmental authorities;
- competition in our industry;
- the loss of or failure to obtain any license or permit necessary or desirable in the operation of our business;
- changes in our business strategy, capital improvements, or development plans;
- the Company's ability to devise and implement effective internal controls and procedures;
- the availability of additional capital to support capital improvements and development;
- global or national health concerns, including the outbreak of epidemic or contagious diseases; and
- other risks identified in this Report and in our other filings with the U.S. Securities and Exchange Commission, or the SEC.

This Report should be read completely and with the understanding that actual future results may be materially different from what we expect. The forward-looking statements included in this Report are made as of the date of this Report and should be evaluated with consideration of any changes occurring after the date of this Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. BUSINESS

General

Greenland Technologies Holding Corporation (the "Company" or "Greenland") designs, develops, manufactures and sells components and products for the global material handling industries.

Through its subsidiaries in the PRC, Greenland offers transmission products, which are key components for forklift trucks used in manufacturing and logistic applications, such as factories, workshops, warehouses, fulfilment centers, shipyards, and seaports. Forklifts play an important role in the logistic systems of many companies across different industries in China and globally. Generally, industries with the largest demand for forklifts include the transportation, warehousing logistics, electrical machinery, and automobile industries.

Greenland's transmission products are used in 1-ton to 18-tons forklift trucks, some with mechanical shift and some with automatic shift. Greenland sells these transmission products directly to forklift-truck manufacturers. In the fiscal years ended December 31, 2025 and 2024, Greenland sold an aggregate of 166,317 and 149,597 sets of transmission products, respectively, to more than 100 forklift manufacturers in the PRC.

In January 2020, Greenland formed HEVI Corp. ("HEVI") to focus on the production and sale of electric industrial vehicles to meet the increasing demand for electric industrial vehicles and machinery powered by sustainable energy to reduce air pollution and lower carbon emissions. HEVI is a wholly owned subsidiary of Greenland incorporated under the laws of the State of Delaware. Prior to 2025, HEVI had been manufacturing and selling electric industrial vehicle products. However, substantially all of HEVI's business operations have been suspended since 2025 due to uncertainty regarding tariff policy. HEVI intends to resume operations once the policy environment stabilizes. HEVI's electric industrial vehicle products (which it are not currently being offered as a result of the suspension of its operations) include GEF-series electric forklifts, a series of lithium powered forklifts with three models ranging in size from 1.8 tons to 3.5 tons, GEL-1800, a 1.8-ton rated load lithium powered electric wheeled front loader, GEX-8000, an all-electric 8.0 ton rated load lithium powered wheeled excavator, and GEL-5000, an all-electric 5.0 ton rated load lithium wheeled front loader. In addition, in April 2023, HEVI introduced a line of mobile DC battery chargers that support DC powered EV applications in the North America market. In July 2024, HEVI announced a partnership with Lonking Holdings Limited to develop and distribute heavy electric machinery and related technology specialized for the U.S. market. In August 2024, HEVI launched its H55L all-electric wheeled front-end loader, which can lift up to six tons in indoor and outdoor applications without the mess and emissions of diesel, and the H65L all-electric wheeled front-end loader, a lithium battery wheeled front-end loader.

Greenland is the parent company of HEVI and Greenland Holding Enterprises Inc. ("Greenland Holding"), a holding company formed in the State of Delaware on August 28, 2023, which in turn acts as the holding company for Zhongchai Holding (Hong Kong) Limited, a holding company formed under the laws of Hong Kong on April 23, 2009 ("Zhongchai Holding"). Zhongchai Holding's subsidiaries include Zhejiang Zhongchai Machinery Co. Ltd., an operating company formed under the laws of the PRC in 2005, Hangzhou Greenland Energy Technologies Co., Ltd. ("Hangzhou Greenland"), an operating company formed under the laws of the PRC in 2019, and Hengyu Capital Limited, a company formed in Hong Kong on August 16, 2022 ("Hengyu Capital"). Through Zhongchai Holding and its subsidiaries, Greenland develops and manufactures traditional transmission products for material handling machinery in the PRC.

Greenland was incorporated on December 28, 2017 as a British Virgin Islands business company with limited liability. Following the Business Combination (as described and defined below) in October 2019, the Company changed its name from Greenland Acquisition Corporation to Greenland Technologies Holding Corporation.

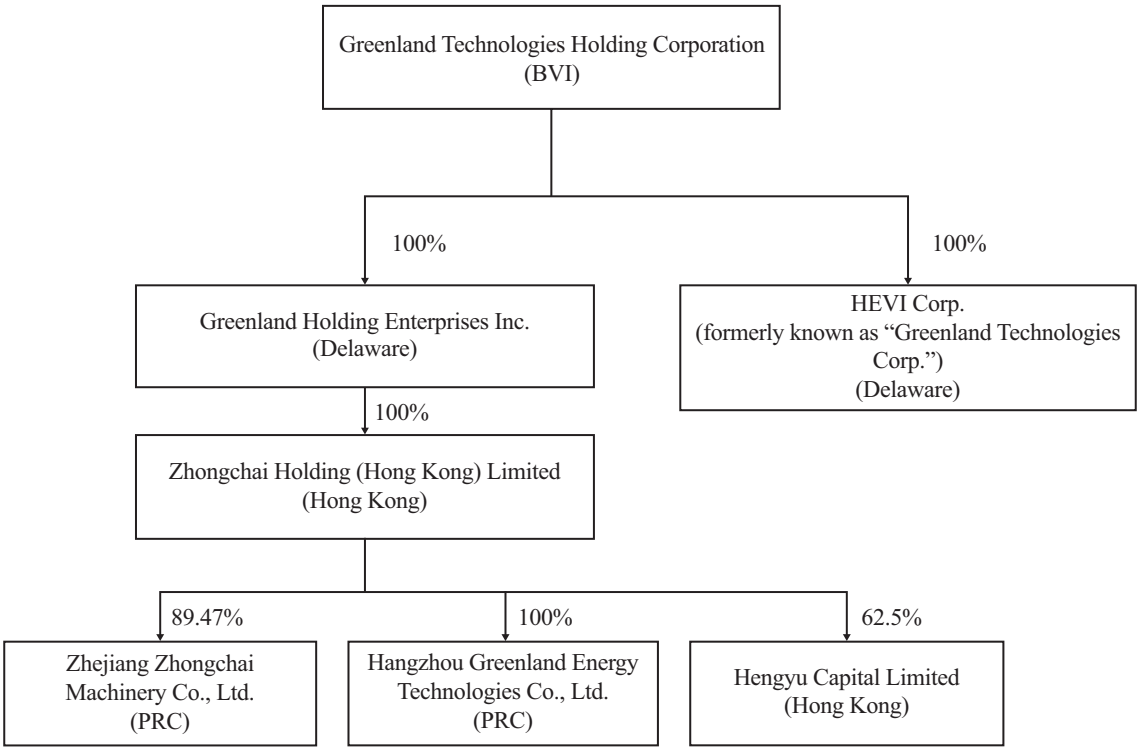
Implications of Being a "Controlled Company"

Mr. Peter Zuguang Wang, the chairman of our board of directors, beneficially owns 2,500 Class A ordinary shares of the Company, no par value per share (the "Class A ordinary shares") and 6,011,740 Class B ordinary shares, no par value per share (the "Class B ordinary shares," together with the Class A ordinary shares, the "ordinary shares"), or 100% of our total issued and outstanding Class B ordinary shares, representing 88.76% of our total voting power. As a result, we are considered a "controlled company" as defined under the Nasdaq Listing Rules because Mr. Peter Zuguang Wang

holds more than 50% of the voting power of the Company. As a "controlled company," we are permitted to elect not to comply with certain corporate governance requirements. However, we do not currently intend to elect to opt out of corporate governance requirements under the Nasdaq Listing Rules as a result of being a "controlled company." If we rely on these exemptions, you will not have the same protection afforded to shareholders of companies that are subject to these corporate governance requirements.

Corporate Structure

The following diagram illustrates the current corporate structure of Greenland, including the jurisdiction of formation and ownership interest of each of its subsidiaries.



Greenland was incorporated on December 28, 2017 as a British Virgin Islands business company with limited liability. As a result of the consummation of the Business Combination, Greenland serves as the ultimate holding company of its subsidiaries.

Greenland Holding was incorporated in the State of Delaware on August 28, 2023. Upon consummation of the share exchange as contemplated by the 2024 Share Exchange Agreement, Greenland Holding became a wholly owned subsidiary of the Company, and holds 100% equity interests in Zhongchai Holding. As of the date of this Report, Greenland Holding has no business operations and acts as a holding company.

Zhongchai Holding was incorporated in Hong Kong on April 23, 2009. From April 23, 2009 to November 1, 2011, Zhongchai Holding was a subsidiary of Equicap, Inc., a Nevada corporation, with its stock quoted on the OTC Markets until July 29, 2011.

HEVI was incorporated in the state of Delaware on January 14, 2020 as a wholly owned subsidiary of Greenland. HEVI promotes sales of sustainable alternative products for the heavy industrial equipment industry, including electric industrial vehicles, in the North American market.

Zhejiang Zhongchai, an 89.47% owned subsidiary of Zhongchai Holding, was formed in the PRC on November 21, 2005 and engages in the business of designing, manufacturing, and selling transmission products mainly for forklift trucks. The remaining 10.53% of Zhejiang Zhongchai's capital stock is owned by Xinchang County Jiuxin Investment Management Partnership (LP) ("Jiuxin"), an entity owned by Mengxing He, director and general manager of Zhejiang Zhongchai.

Hangzhou Greenland, formerly known as Hangzhou Greenland Robotic Co., Ltd. prior to November 6, 2020 ("Hangzhou Greenland"), a wholly owned subsidiary of Zhongchai Holding, was formed in the PRC on August 9, 2019 and engages in the business of research and development of electric engineering vehicles, including electric forklifts, electric loading vehicles, electric digging vehicles, and other products. Hangzhou Greenland is also committed to product supply chain integration and overseas sales.

Hengyu Capital Limited, a 62.5% owned subsidiary of Zhongchai Holding, was formed in Hong Kong on August 16, 2022. Hengyu Capital Limited does not have any business activities at this time and will be engaging in the business of investing. The remaining 37.5% of the capital stock of Hengyu Capital Limited is owned by Peter Zuguang Wang, the chairman of our board of directors.

Products

Greenland manufactures transmission systems and integrated powertrains for various industries, particularly for material handling machinery. In addition, Greenland is a provider of high tech sustainable heavy machinery including all-electric construction machinery and related charging accessories.

Transmission products for material handling machinery



Hydraulic Transmission System

Transmission Systems. For 15 years, Greenland, along with its subsidiaries, specializes in designing, developing, and manufacturing a wide range of transmission systems for material handling machinery, in particular forklift trucks. The range of the transmission systems covers machinery from one ton to 18 tons. Most transmission systems contain auto transmission features. This feature allows for easy machine operations. In addition, Greenland provides transmission system for internal combustion powered machinery as well as for electrical powered machinery. Greenland has recently experienced increasing demand for electric powered transmission systems. These transmission systems are key components for material handling machinery assembly. To meet this increasing demand, Greenland is able to provide these transmission systems to major forklift truck original equipment manufacturers ("OEMs") as well as certain global branded manufacturers.



2.5-ton Integrated Powertrain

Integrated Powertrain. Through its PRC subsidiaries, Greenland designs and develops new and distinctive powertrains, which integrate electric motor, speed reduction gearbox, and driving axles into a combined integral module, in order to meet growing demand for advanced electric forklift trucks. This integrated powertrain will enable the OEMs to significantly shorten design cycle, improve machinery efficiency, and simplify manufacturing process. There is a new trend that OEMs would rather use an integrated powertrain than separate electric motor, speed reduction

gearbox, and driving axles, particularly in electric forklift trucks. Currently, Greenland makes two tons to three and a half-tons integrated powertrains for a few electric forklift truck OEMs. Greenland is in the process of adding more integrated powertrain products for electric forklift truck OEMs with different sizes.

Electric Industrial Heavy Equipment



GEL-5000 Electric Wheel Loader

Substantially all of HEVI's business operations have been suspended since 2025 due to uncertainty regarding tariff policy. HEVI intends to resume operations once the policy environment stabilizes. Prior to 2025, HEVI had been selling equipment that produce no operating emissions and reduced noise pollution while offering the strength and power for many applications. HEVI's first product line includes the GEL-5000 and GEL-1800 electric wheeled front loader, the GEX-8000 electric excavator and the GEF-series of electric lithium forklifts.

GEL-5000

The GEL-5000 is a 39,683 lb. lithium powered all-electric wheeled front loader capable of supporting a 5.0-ton rated load. Its 282 kWh 620V lithium battery sourced from Contemporary Amperex Technology Co., Limited ("CATL") produces the power to support eight hours of operation time and can be charged in as little as two hours.

GEL-1800

The GEL-1800 is a 11,464 lb. lithium powered all-electric wheeled front loader capable of supporting a 1.8-ton rated load. Its 141 kWh 620V CATL-sourced lithium battery produces the power to support nine hours of operation time and can be charged in as little as one and a half hours.

GEX-8000

The GEX-8000 is a 18,739 lb. lithium powered all-electric excavator capable of supporting an 8.0-ton rated load. Its 141 kWh 620V CATL-sourced lithium battery produces the power to support nine hours of operation time and can be charged in as little as one and a half hours.

The GEL-5000, GEL-1800 and GEX-8000 come standard with advanced systems such as an intelligent system diagnostic display, quick-hitch attachment system with a wide range of attachments and quality-of-life operation features that further add value to our customers.

H55L

The H55L is a lithium powered all-electric wheeled front loader which can lift up to six tons in indoor and outdoor applications without the mess and emissions of diesel.

H65L

The H65L is a lithium powered all-electric wheeled front loader and HEVI's flagship loader at an operating weight of nearly 50,000 pounds.

GEF-Series Forklifts

HEVI offers the GEF-series of lithium powered electric forklifts that range in power from 1.5-ton to 3.5-ton rated load.

Charging Solutions



DCH-480-30 Mobile Direct Current ("DC") Charger

HEVI has developed a line of DC mobile charging solutions that are designed for easy, flexible and cost-effective charging integration to support a DC-powered electric vehicle ("EV") fleet at any powered work site. These solutions create a seamless adoption of HEVI's electric heavy equipment or any compatible DC-powered EV into any existing fleet operation.

Significant Activities since Inception

Initial Public Offering

On July 27, 2018, we consummated our initial public offering of 4,400,000 units, including a partial exercise by the underwriters of their over-allotment option in the amount of 400,000 units. Each unit consisted of one ordinary share, no par value, one warrant to purchase one-half of one ordinary share and one right to receive one-tenth of one ordinary share upon the consummation of our Business Combination, pursuant to a registration statement on Form S-1. Warrants must be exercised in multiples of two warrants, and each two warrants are exercisable for one ordinary share at an exercise price of $11.50 per share. The units were sold in our initial public offering at an offering price of $10.00 per unit, which generated $44,000,000 (before underwriting discounts and offering expenses) in gross proceeds.

Simultaneously with the consummation of our initial public offering, we completed a private placement of 282,000 units at a price of $10.00 per unit to Greenland Asset Management Corporation (the "Sponsor") and Chardan Capital Markets, LLC ("Chardan"), which generated $2,820,000 in gross proceeds. We also sold to Chardan (and its designees), for $100, an option to purchase up to 240,000 units exercisable at $11.50 per unit (or an aggregate exercise price of $2,760,000) commencing on consummation of the Business Combination (as defined below). On February 18, 2021, Chardan exercised its option to purchase 120,000 units. The unit purchase option expired on July 24, 2023 and the remaining 120,000 units lapsed.

Business Combination

On October 24, 2019, we consummated our business combination with Zhongchai Holding (the "Business Combination") after a special meeting, where the shareholders of Greenland considered and approved, among other matters, a proposal to adopt a share exchange agreement (the "Share Exchange Agreement"), dated as of July 12,

2019, among (i) Greenland, (ii) Zhongchai Holding, (iii) the Sponsor, in the capacity as the purchaser representative (the "Purchaser Representative"), and (iv) Cenntro Holding Limited, the sole member of Zhongchai Holding (the "Zhongchai Equity Holder" or the "Seller").

Pursuant to the Share Exchange Agreement, Greenland acquired from the Seller all of the issued and outstanding equity interests of Zhongchai Holding in exchange for 7,500,000 newly issued ordinary shares, no par value, of Greenland, to the Seller (the "Exchange Shares"). As a result, the Seller became the controlling shareholder of Greenland, and Zhongchai Holding became a directly and wholly owned subsidiary of Greenland. The Business Combination was documented as a reverse merger effected by the Share Exchange Agreement, where Zhongchai Holding is considered the acquirer for accounting and financial reporting purposes.

The Business Combination was documented as a reverse recapitalization (the "Recapitalization Transaction") in accordance with Accounting Standard Codification ("ASC") 805, Business Combinations. For accounting and financial reporting purposes, Zhongchai Holding is considered the acquirer based on the following facts and circumstances:

- Zhongchai Holding's operations comprise the ongoing operations of the combined entity;
- The officers of the combined company consist of Zhongchai Holding's executives, including the Chief Executive Officer, Chief Financial Officer, and General Counsel; and
- The former shareholders of Zhongchai Holding own a majority voting interests in the combined entity.

As a result of Zhongchai Holding being the accounting acquirer, the financial reports filed with the SEC by the Company subsequent to the Business Combination are prepared "as if" Zhongchai Holding is the predecessor and legal successor to the Company. The historical operations of Zhongchai Holding are deemed to be those of the Company. Thus, the financial statements included in this Report reflect (i) the historical operating results of Zhongchai Holding prior to the Business Combination; (ii) the combined results of Zhongchai Holding and Greenland following the Business Combination in October 2019; (iii) the assets and liabilities of Zhongchai Holding at their historical cost, and (iv) Greenland's equity structure for all periods presented. Zhongchai Holding received 7,500,000 shares of Greenland in exchange for all the share capital, which is reflected retroactively to December 31, 2017 and will be utilized for calculating earnings per share in all prior periods. No step-up basis of intangible assets or goodwill was recorded in the Business Combination transaction, which is consistent with the treatment of the transaction as a reverse recapitalization of Zhongchai Holding.

Incorporation of HEVI Corp.

On January 14, 2020, HEVI Corp., formerly known as Greenland Technologies Corp. prior to May 2022, was incorporated under the laws of the state of Delaware. HEVI is a wholly owned subsidiary of the Company and promotes sales of sustainable alternative products for the heavy industrial equipment industry, including electric industrial vehicles, in the North American market.

June 2021 Public Offering

On June 28, 2021, the Company entered into an underwriting agreement with Aegis Capital Corp., pursuant to which the Company agreed to sell to Aegis Capital Corp. in a firm commitment public offering 857,884 ordinary shares of the Company, for an offering price of $8.16 per share. The Company received $7.0 million in gross proceeds from this offering, before deducting underwriting discounts and other related offering expenses.

At-the-market Offering Agreement

On November 19, 2021, the Company entered into an at-the-market offering agreement with H.C. Wainwright & Co., LLC, to create at an-the-market equity program pursuant to which the Company may offer and sell, from time to time, through or to H.C. Wainwright & Co., LLC, the Company's ordinary shares, no par value per share, having an aggregate gross offering price of up to $7.72 million. As of the date of this Report, no ordinary shares of the Company have been sold under the at-the-market offering agreement.

July 2022 Registered Direct Offering

On July 25, 2022, the Company entered into a securities purchase agreement with an investor, pursuant to which the Company agreed to issue and sell 1,250,000 ordinary shares and 398,974 pre-funded warrants (the "RD pre-funded warrants"), with each RD pre-funded warrant exercisable for one ordinary share of the Company, for an offering price of $4.17 per share and $4.169 per RD pre-funded warrant. The Company received $6.88 million in gross proceeds from that registered direct offering, before deducting placement agent fees and other related offering expenses.

July 2022 Private Placement

On July 25, 2022, the Company entered into another securities purchase agreement with an investor for a private placement offering of 616,026 pre-funded warrants and 4,530,000 common warrants. Each ordinary share and accompanying common warrants were sold together at a combined offering price of $5.089 per unit, with an exercise price per pre-funded warrant of $0.001 per share. The Company received $3.14 million in gross proceeds from that private placement, before deducting placement agent fees and other related offering expenses.

Formation of Hengyu Capital Limited

On August 16, 2022, Hengyu Capital Limited was formed in Hong Kong as a subsidiary of Zhongchai Holding (Hong Kong) Limited, which owns 62.5% equity interests in Hengyu Capital Limited. The remaining 37.5% of the equity interests of Hengyu Capital Limited are owned by the chairman of our board of directors, Mr. Peter Zuguang Wang. Hengyu Capital Limited does not have any business activities at this time.

Dissolution of Shanghai Hengyu Business Management Consulting Co., Ltd.

From the consummation of the Business Combination to July 2023, Shanghai Hengyu Business Management Consulting Co., Ltd. ("Shanghai Hengyu"), a company formed in the PRC, was an indirect subsidiary of the Company, in which the Company owns 62.5% equity interests. On July 10, 2023, Shanghai Hengyu was dissolved under the laws of the PRC.

Formation of Greenland Holding

On August 28, 2023, Greenland Holding was formed in the State of Delaware with no shares issued. On March 26, 2024, the Company entered into a share exchange agreement with Greenland Holding and Zhongchai Holding (the "2024 Share Exchange Agreement"), pursuant to which, on March 27, 2024, the Company transferred all the equity interests it held in Zhongchai Holding to Greenland Holding, and in return, Greenland Holding issued 100 shares to the Company, representing 100% of the issued and outstanding shares of Greenland Holding. As a result, Greenland Holding has become a wholly owned subsidiary of the Company, which in turn holds 100% of the equity interests in Zhongchai Holding.

January 2026 Underwritten Public Offering

On January 28, 2026, the Company entered into an underwriting agreement with Joseph Stone Capital, LLC, as sole underwriter, pursuant to which the Company agreed to sell 5,083,330 units (the "Units") at a public offering price of $1.20 per Unit. Each Unit consisted of one ordinary share of the Company and four-fifths of one warrant (each, a "January 2026 Warrant"), with each whole January 2026 Warrant exercisable for one ordinary share at an exercise price of $1.20 per share, or by means of a zero price exercise, and expiring three years from the date of issuance. The ordinary shares and January 2026 Warrants included in the Units were immediately separable and were issued separately. The offering closed on January 29, 2026, and the Company received gross proceeds of approximately $6.1 million, before deducting underwriting discounts and other offering expenses. The Company intends to use the net proceeds from the offering for working capital and general corporate purposes.

As of March 20, 2026, 2,567,333 January 2026 Warrants have been exercised for 2,567,333 Class A ordinary shares, all by means of zero price exercise, and as of the same date, 1,499,331 January 2026 Warrants had not been exercised.

Implementation of a Dual Class Structure

On January 30, 2026, the Company re-convened its 2025 annual general meeting of shareholders (the "2025 Annual General Meeting"), which had been adjourned from December 29, 2025 due to a lack of quorum. At the 2025 Annual General Meeting, the shareholders of the Company approved, among other matters: (i) the adoption of amended and restated Memorandum and Articles of Association; (ii) the implementation of a dual class share structure, pursuant to which the ordinary shares of the Company were re-designated into Class A ordinary shares of no par value, carrying one vote per share, and Class B ordinary shares of no par value, carrying 25 votes per share; and (iii) the reclassification of each of the issued and outstanding ordinary shares held by Trendway Capital Limited as Class B ordinary shares, and the reclassification of all remaining issued and outstanding ordinary shares as Class A ordinary shares.

On February 24, 2026, the dual-class share structure became effective on the Nasdaq Capital Market. Beginning with the opening of trading on February 24, 2026, the Class A ordinary shares commenced trading on the Nasdaq Capital Market under the symbol "GTEC" and CUSIP number G4095T107.

Recent Regulatory Developments

We are a holding company incorporated in the British Virgin Islands and not a Chinese operating company. As a holding company with no material operations of our own, we conduct our operations through our PRC subsidiaries and prior to operations suspension in 2025, also through our U.S. subsidiary, HEVI. We hold equity interests in our subsidiaries and do not currently use a variable interest entity ("VIE") structure. Investors in our Class A ordinary shares are purchasing equity interest in a British Virgin Islands holding company. As used in this Report, "we," "us," "our company," or "our" refers to Greenland Technologies Holding Corporation and when describing the consolidated financial results of Greenland Technologies Holding Corporation and its subsidiaries, also includes its subsidiaries.

We and our PRC subsidiaries are subject to certain legal and operational risks associated with our PRC subsidiaries' operations in China. PRC laws and regulations governing our PRC subsidiaries' current business operations are sometimes vague and uncertain and, as a result, these risks may result in material changes in the operations of our PRC subsidiaries, significant depreciation of the value of our Class A ordinary shares, or a complete hindrance of our ability to offer or continue to offer our securities to investors. For instance, except for fulfilling the filing procedure with the China Securities Regulatory Commission, or the CSRC, in connection with future offerings, we believe that we and our PRC subsidiaries are currently not required to obtain any permission or approval from the CSRC and the Cyberspace Administration of China, or the CAC, in the PRC to offer securities to foreign investors. However, there is no guarantee that this will continue to be the case in the future in relation to a follow-on offering or the continued listing of our securities on a U.S. securities exchange, or even in the event such permission or approval is required and obtained, it will not be subsequently revoked or rescinded. In the event that such approval is required in the future and we and/or our PRC subsidiaries do not receive or maintain such approval, our Class A ordinary shares may significantly decline in value or become worthless, and our ability to offer or continue to offer securities to investors may be significantly limited or completely hindered.

In addition, we and our PRC subsidiaries are subject to risks and uncertainties of the interpretations and applications of PRC laws and regulations, including but not limited to, those imposing limitations on foreign ownership in the industry our PRC subsidiaries operate. We and our PRC subsidiaries are also subject to the risks and uncertainties about any future actions of the PRC government. If any future actions of the PRC government result in a material change in our PRC subsidiaries' operations, the value of our Class A ordinary shares may depreciate significantly or become worthless. See "Risk Factors — Risks Related to Doing Business in China — Uncertainties with respect to the PRC legal system could adversely affect us and our PRC subsidiaries."

Recently, the PRC government adopted a series of regulatory actions and issued statements to regulate business operations in China, including cracking down on illegal activities in the securities market, enhancing supervision over China-based companies listed overseas using variable interest entity structure, adopting new measures to extend the scope of cybersecurity reviews, and expanding the efforts in anti-monopoly enforcement. As of the date of this Report, our Company and our PRC subsidiaries have not been involved in any investigations on cybersecurity review initiated by any PRC regulatory authority, nor has any of them received any inquiry, notice or sanction. As of the date of this Report, we and our PRC subsidiaries have not received any inquiry, notice, warning, or sanctions from the CSRC or any other PRC governmental authorities regarding the offering of our securities outside of the PRC.

On February 17, 2023, the CSRC published the Regulations of Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "Trial Measures") and its accompanying guidelines and instructions, which came into effect on March 31, 2023, and will apply if a domestic enterprise issues shares, depositary receipts, corporate bonds convertible into shares, or other securities of an equity nature outside of the PRC, or lists its securities for trading outside of the PRC. According to such regulations, a domestic enterprise that issues and lists its securities outside of the PRC shall comply with the filing procedures and report the relevant information to the CSRC. A domestic enterprise shall not be listed on an overseas stock exchange if any of the following circumstances exists: (i) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (v) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. The Trial Measures changes the management of licensing to record management, strengthen the supervision in the aftermath, create a more transparent and predictable institutional environment, and support the standardized development of enterprises using the overseas capital market. As such, we will be required to complete filing procedures with CSRC in connection with our future offerings. Additionally, we may be prohibited from continued listing if we fit into any of the five scenarios as discussed above. Furthermore, in the event that an approval from Chinese authorities is required for our future offerings or continued listing on Nasdaq, if we and/or our PRC subsidiaries do not receive or maintain required approvals, or we inadvertently conclude that such approvals are not required, or applicable laws, regulations, or interpretations change such that we and/or our PRC subsidiaries are required to obtain approval in the future, we and/or our PRC subsidiaries may be subject to an investigation by Chinese regulators, fines or penalties, or an order prohibiting us from conducting an offering, and these risks could result in a material adverse change in our operations and the value of our Class A ordinary shares, significantly limit or completely hinder our ability to offer or continue to offer securities to investors, or cause such securities to significantly decline in value or become worthless. In addition, since these statements and regulatory actions are newly published, and official guidance and related implementation rules have not been issued, it is highly uncertain what the potential impact such modified or new laws and regulations will have on our subsidiaries' daily business operation, the ability to accept foreign investments and our ability to continue our listing on a U.S. exchange. See "Risk Factors — Risks Related to Doing Business in China — Our PRC subsidiaries may be liable for improper use or appropriation of personal information provided by their customers and any failure to comply with PRC laws and regulations over data security could result in materially adverse impact on our business, results of operations, and our continued listing on Nasdaq."

Although we are not currently owned or controlled by a governmental entity in any foreign jurisdiction, the PRC government has exercised, and continues to exercise, substantial control over virtually every sector of the Chinese economy through regulation and state ownership, including the steel sector where our PRC subsidiaries have been conducting their business. Any government decisions or actions to change the steel production, or any decisions the government might make to cut spending, could adversely impact our PRC subsidiaries' business and our results of operations. We believe that our PRC subsidiaries' operations in China are in material compliance with all applicable legal and regulatory requirements. However, the central or local governments of the jurisdictions in which our PRC subsidiaries operate may impose new, stricter regulations or interpretations of existing regulations with little advance notice that could require additional expenditures and efforts on our part to ensure our and our PRC subsidiaries' compliance with such regulations or interpretations. Furthermore, the PRC government authorities may continue to strengthen oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers like us. Such actions taken by the PRC government authorities may intervene or influence the operations of our PRC subsidiaries at any time, which may be beyond our control. Therefore, any such action may adversely affect the operations of our PRC subsidiaries and significantly limit or hinder our ability to offer or continue to offer securities to you and reduce the value of such securities or cause the value of such securities to be completely worthless. See "Risk Factors — Risks Related to Doing Business in China — The PRC government exerts substantial influence over the manner in which our PRC subsidiaries must conduct their business activities. If the Chinese government significantly regulates the business operations of our PRC subsidiaries in the future and our PRC subsidiaries are not able to substantially comply with such regulations, the business operations of our PRC subsidiaries may be materially and adversely affected and the value of our Class A ordinary shares may significantly decrease."

Trading in our securities may be prohibited under the Holding Foreign Companies Accountable Act, or the HFCA Act, if Public Company Accounting Oversight Board (United States) (the "PCAOB") determines that it cannot inspect or fully investigate our auditor, and that as a result, an exchange may determine to delist our securities. The PCAOB has been able to inspect our auditor, Enrome LLP, an independent registered public accounting firm with its headquarters in Singapore. See "Risk Factors — Risks Related to Doing Business in China — Our Class A ordinary shares may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditors. The delisting and the cessation of trading of our Class A ordinary shares, or the threat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections."

Trading in our securities may be prohibited under the HFCA Act if the PCAOB determines that it cannot inspect or fully investigate our auditor, and that as a result, an exchange may determine to delist our securities. On June 22, 2021, the U.S. Senate passed the Accelerating Holding Foreign Companies Accountable Act and on December 29, 2022, a legislation entitled "Consolidated Appropriations Act, 2023" (the "Consolidated Appropriations Act") was signed into law by President Biden, which contained, among other things, an identical provision to Accelerating Holding Foreign Companies Accountable Act and amended the Holding Foreign Companies Accountable Act by requiring the SEC to prohibit an issuer's securities from trading on any U.S. stock exchanges if its auditor is not subject to PCAOB inspections for two consecutive years instead of three, thus reducing the time period before our securities may be prohibited from trading or delisted. The PCAOB has been able to inspect our auditor, Enrome LLP, an independent registered public accounting firm with its headquarters in Singapore. On December 16, 2021, the PCAOB issued a report to notify the SEC of its determinations that it is unable to inspect or investigate completely registered public accounting firms headquartered in Mainland China and Hong Kong, respectively, and identifies the registered public accounting firms in Mainland China and Hong Kong that are subject to such determinations. Our auditor is not subject to the determinations announced by the PCAOB on December 16, 2021. On August 26, 2022, the CSRC, the Ministry of Finance (the "MOF"), and the PCAOB signed the Protocol, governing inspections and investigations of audit firms based in China and Hong Kong. The Protocol remains unpublished and is subject to further explanation and implementation. Pursuant to the fact sheet with respect to the Protocol disclosed by the SEC, the PCAOB shall have independent discretion to select any issuer audits for inspection or investigation and has the unfettered ability to transfer information to the SEC. On December 15, 2022, the PCAOB Board determined that the PCAOB was able to secure complete access to inspect and investigate registered public accounting firms headquartered in mainland China and Hong Kong and voted to vacate its previous determinations to the contrary. However, should PRC authorities obstruct or otherwise fail to facilitate the PCAOB's access in the future, the PCAOB Board will consider the need to issue a new determination. See "Risk Factors — Risks Related to Doing Business in China — Our Class A ordinary shares may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditors. The delisting and the cessation of trading of our Class A ordinary shares, or the threat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections."

Dividend Policy and Cash Transfers

We intend to retain all of our available funds and any future earnings to fund the development and growth of our business. As such, we do not expect to pay any cash dividends in the foreseeable future. We are permitted under PRC laws and regulations to provide funding to our PRC subsidiaries only through loans or capital contributions, and only if we satisfy the applicable government registration and approval requirements.

Our PRC subsidiaries are permitted to pay dividends only out of their retained earnings. However, each of our PRC subsidiaries is required to set aside at least 10% of its after-tax profits each year, after making up for previous year's accumulated losses, if any, to fund certain statutory reserves, until the aggregate amount of such funds reaches 50% of registered capital. This portion of our PRC subsidiaries' respective net assets are prohibited from being distributed to their shareholders as dividends. However, none of our PRC subsidiaries has made any dividends or distributions to our holding company or any U.S. investors as of the date of this Report. See "Risk Factors — Risks Related to Doing Business in China — We may rely on dividends paid by our subsidiaries for our cash needs, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct business."

In addition, the PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders. See "Risk Factors — Risks Related to Doing Business in China — Governmental control of currency conversion may limit our ability to utilize our revenues effectively and affect the value of your investment."

A 10% PRC withholding tax is applicable to dividends payable to investors that are non-resident enterprises. Any gain realized on the transfer of Class A ordinary shares by such investors is also subject to PRC tax at a current rate of 10%, which in case of dividends will be withheld at source if such gain is regarded as income derived from sources within the PRC. See "Risk Factors — Risks Related to Doing Business in China — Under the PRC EIT Law, we may be classified as a 'Resident Enterprise' of China. Any classification as such will likely result in unfavorable tax consequences to us and our non-PRC shareholders."

Under Delaware law, our Delaware subsidiary may issue dividends to the Company only if its total assets exceed its total liabilities plus the par value of its issued stock, or if it has net profits for the current or prior fiscal year. Any such dividend must also comply with the subsidiary's certificate of incorporation and bylaws.

We have adopted written cash management policies and procedures that dictate how funds are transferred within our organization. According to such policies and procedures, each subsidiary of the Company may initiate a cash transfer request by timely filling out a fund application form, which shall be signed by the financial principal and the principal of the subsidiary and then submitted to the financial department of the Company for approval. After a cash transfer request is approved by the financial department, the relevant subsidiary may proceed to initiate such transfer. Our Company distributed cash as loans to our subsidiaries. Several cash transfers have been made between our Company and our subsidiaries. As of December 31, 2024 and 2025, our Company provided a loan of $4,287,589 and $2,447,492 to Zhongchai Holding, respectively.

Competitive Strengths

Greenland believes that it is in the right position and the right time to supply a new generation of industrial heavy equipment, including electric industrial vehicles, that is green, safe, and cost-effective. The following is a summary of Greenland's competitive strengths.

Favorable Market Trends

Greenland believes that a number of key industry trends in the PRC will continue to benefit Greenland and its subsidiaries and continue to drive its growth, including:

- increasingly stringent regulations over carbon emission, which urge market participants to adopt low or zero-emission material handling and construction equipment;
- increasing demand for a safer work environment and better healthy worker's condition will drive growth of electric material handling equipment or industry vehicle, which generates no exhausts and a low level of noise in operation;
- increasing labor cost, which accelerates labor substitution with machinery in material handling and logistic activities;
- increasing government support for improving efficiency in the PRC's logistics industry, which is a key market for material handling machinery such as forklifts and loaders; and
- increasing government support for logistic mechanization, including in the form of subsidies.

Additionally, although HEVI has temporarily suspended substantially all of its business operations since 2025 due to uncertainty regarding tariff policy, we believe that, over the long term, HEVI's electric industrial vehicles, as U.S. branded products, will remain competitive in the U.S. market.

As a result of these favorable industry trends, Greenland believes that it is well-positioned to capitalize on the increasing market demand for transmission products in the PRC as well as on the growing demand over the long term for emission-free and labor substitution by electric vehicles in the United States.

Well-Developed Manufacturing Capabilities Leading to Higher Efficiency

Greenland's well-developed manufacturing process contributes to manufacturing efficiency and cost-effectiveness. Specifically, a combination of modern operational and management systems, advanced manufacturing equipment, experienced manufacturing know-hows, skilled workforce, and flexible manufacturing system allows Greenland to shorten the "time to market" for its new products. Moreover, the combination allows Greenland to timely adjust its lines of products in anticipation of changes in market demands.

Robust Research and Product Development Capabilities

Research and product development capabilities have been critical to Greenland's historical growth and current market position. Greenland's research and development team is comprised of more than 17 professionals, or over 5% of Greenland's employees. Greenland's research and development facilities consist of a transmission technology center and an electric industry vehicle center. The transmission technology center is accredited by the Zhejiang provincial government. The technology center is made up of a product development and design department, a research center, three research departments that focuses on design, application, and manufacturing of internal combustion engines, and a post-doctoral workstation certified by the PRC Ministry of Human Resource and Social Security.

Strategic Service Network

The ability to provide timely after-sales services is critical in building and maintaining a loyal and solid customer base. We have strategically established an after-sales service network in locations with developed economies. For example, the eastern provinces of the PRC generally have significant demand for logistics services. Accordingly, Greenland, through its subsidiaries, has operated an in-house service center and retained service providers that conduct businesses predominantly in these regions. Users of Greenland's products are able to reach Greenland through a service line, through which Greenland is able to provide prompt on-site technical services.

Experienced Management Team with Successful Track Records

Greenland's senior management team is comprised of individuals who have operational experience, market knowledge, international management skill, and technical expertise. In addition, each member of the senior management team has a proven track record in building and turning companies into successful enterprises.

- *Peter Zuguang Wang* has served as our director and the chairman of our board of directors since October 2019, and as the sole director of Zhongchai Holding since April 2009 and the chairman of the board of directors of Zhejiang Zhongchai since September 2017. He has over 30 years of experience in technology and management, along with a unique background in research and development, operation, finance and management. Mr. Wang is the chief executive officer of Cenntro Inc. (Nasdaq: CENN) and the co-founder of Unitech Telecom (now a part of UTStarcom, Nasdaq: UTSI).

- *Raymond Z. Wang* has served as our chief executive officer since October 2019, the chief executive officer of Zhongchai Holding since April 2019, and the chief executive officer of HEVI Corp since January 2020. From February 2019 to November 2020, Mr. Wang served as Chairman of the board of ONE Project, a non-profit organization that unifies local communities to collectively tackle social issues such as hunger. From November 2017 to March 2019, Mr. Wang was the President of Devirra Corporation, a warehousing management and logistic company. From August 2007 to July 2017, Mr. Wang worked as the Vice President at Bank of America Merrill Lynch, developing a client acquisition channel for an online platform. From December 2005 to March 2007, Mr. Wang served as the Financial Advisor at Cowan Financial Group, a full-service financial planning and consulting firm, in New York. Mr. Wang received his Bachelor's degree in Economics from Rutgers University.

- *Chenyang Wang* has served as our Acting Chief Financial Officer since April 2025. Ms. Wang served as a manager in the securities affairs department at a publicly listed agriculture services company from May 2018 to February 2025. Ms. Wang served as an investment manager at Zhejiang Yangzhechen Asset Management Co., Ltd. from October 2016 to April 2018. From October 2010 to April 2012, Ms. Wang worked as a research analyst at Zhejiang Hanbo Investment Management Co., Ltd., where she was responsible for investment analysis-related work. Ms. Wang received a Bachelor's degree in Financial

Engineering from South-Central Minzu University in China in 2011, a Master's degree in Finance from Nankai University in China in 2018, and a Bachelor's degree in Financial Management from Renmin University of China in 2021.

Customers

Greenland, through its subsidiaries, sells most of its transmission products in the PRC and electric industrial heavy equipment in the U.S. Its customer bases are primarily in the businesses of material handling equipment and forklift trucks. Greenland believes that its customers include some of the leading manufacturers in their respective market segments. Greenland also supplies transmission products to the PRC subsidiaries of a number of blue-chip international brands based in Europe and Asia.

During the years ended December 31, 2025 and 2024, Greenland's five largest customers contributed 40.32% and 40.60%, respectively, of its total revenues. For the years ended December 31, 2025 and 2024, Greenland's single largest customer, Hangcha Group, accounted for 15.07% and 14.19%, respectively, of Greenland's total revenue, and Greenland's second largest customer, Longgong Forklift Truck, accounted for 10.05% and 11.94%, respectively, of Greenland's total revenue.

Suppliers

Greenland purchases its raw materials from various suppliers for use in the manufacture of its products.

The key raw materials used to manufacture its products are processed metal-based parts and components, including iron castings and gears, which are purchased from our domestic suppliers in the PRC. Most of our suppliers are located within close proximity to our manufacturing facilities, which reduces our transportation and inventory costs.

The prices for iron and steel and other raw materials have historically fluctuated significantly in the PRC, which in turn has affected the Company's business and operation results. Greenland closely monitors changes in raw material prices and seeks to adjust its inventory of raw materials during inflation periods. In addition, Greenland seeks to minimize the impact of fluctuations in raw material prices by adopting bidding processes in its raw material procurement process. Greenland also seeks to price its products to reflect the expected fluctuations in raw material prices to the extent possible. However, there can be no assurance that Greenland could precisely estimate any increase in raw material price or pass on such increase to its customers.

HEVI purchases components, electronics, battery systems and metal-based parts for use in the assembly of its electric industrial heavy equipment from various suppliers based in the PRC. These items are transported to the United States for assembly of the final products.

HEVI seeks to price its products to reflect expected increases in the component prices and transportation costs to the extent possible. However, there can be no assurance that HEVI could precisely estimate any increase in components or pass on such increase to its customers.

Production

Greenland's transmission products are comprised of a number of major parts and components, including gearbox housing, gears, bearings, oil pumps, gear shafts, hydraulics, electric forklifts, wheeled excavators, and electrical components. The gearbox housing and gears parts are processed in-house at its manufacturing facility in Xinchang County, Zhejiang Province, the PRC. Components of such products, in general, are sourced, from third parties, assembled, and integrated to form finished products. The finished products then undergo further adjustments, fine tunings, testing, and quality inspections. At the end of the inspection process and prior to shipment to our warehouses for storage and distribution, the finished products are coated and painted.

Inventory and Warehousing

Greenland undertakes inventory control in order to reduce the risks of under and over-stocking. On average, Greenland typically maintains a 30-day stock piles for production needs. It generally increases its inventories toward the end of the year in order to meet any production demand, in anticipation of any demands increase, from the second quarter

of the following year. Furthermore, Greenland maintains higher inventories at year-end because Chinese New Year typically falls in January or February, which affects production and transportation of raw materials. Greenland has installed an enterprise resource planning ("ERP") system, which provides real-time information about purchases, production schedules, and supplies of the raw materials. The ERP system has substantially improved Greenland's inventory controls, providing the Company with quick access to various data and easy formulation of operating models, and allowing the Company to keep its inventory at an appropriable level to facilitate the manufacturing process.

Research and Development

Greenland's research and development team selects research or development projects or both and draws up preliminary project proposals based on various factors, such as industry and market trends, customer feedback, and input from other departments (i.e. finance and manufacturing departments).

Greenland's management, including the heads and lead managers of various internal departments, such as sales and marketing and finance departments, as well as its chief executive officer and chief technology officer, reviews the preliminary project proposals and its research and development team formulates a final plan for each approved project after considering suggestions and comments by its management. The final plans will include detailed schedules and budgets for the projects. Greenland's finance department monitors budget overruns. Any increase in the original budget must be reviewed and approved by management before the relevant project can continue.

Greenland has also focused on research and development with respect to its electric industrial equipment and related products. Greenland's electric industrial heavy equipment products currently include GEF-series electric forklifts, a series of lithium powered forklifts with three models ranging in size from 1.8 tons to 3.5 tons, and GEL-1800, a 1.8 ton rated load lithium powered electric wheeled front loader and GEX-8000, an all-electric 8.0 ton rated load lithium powered wheeled excavator.

HEVI intends to resume operations once the policy environment stabilizes. In the long run, Greenland, through HEVI, intends to focus its research and development efforts on its next generation of electric industrial heavy equipment along with supporting products such as mobile charging units and attachments that will increase the value of its portfolio.

Intellectual Property

Greenland relies on a combination of trademark, copyright, patent, software registration, and trade secret laws to protect its intellectual property rights. Despite these precautions, it may be possible for third parties to infringe our Company's intellectual property rights.

Patents

As of December 31, 2025, Greenland held 109 registered patents with the PRC National Intellectual Property Administration ("CNIPA"), 82 of which are utility patents and 21 of which are invention patents and six (6) of which are design patents. These patents relate to the manufacturing of products.

Trademarks

As of December 31, 2025, Greenland had been granted two trademarks in China registered with the CNIPA.

Copyrights

As of December 31, 2025, Greenland had registered two copyrights in China with the CNIPA.

As of the date of this Report, Greenland has not registered any intellectual properties in the U.S.

Greenland's intellectual property also includes technical data such as test results and operating data from projects, drawings, designs, and machinery and manufacturing techniques it developed in-house.

Sales and Marketing

Greenland sells its products through its sales and marketing teams. To promote Greenland's brand, sales employees also attend trade shows and exhibitions to showcase our products.

As of December 31, 2025, Greenland's sales and marketing team consisted of 15 employees, all of them were in the PRC. Members of Greenland's sales and marketing teams have extensive experience and knowledge in the material handling equipment sector of the manufacturing industry. They are primarily responsible for identifying business opportunities, promoting products, collecting customer feedback and market information, bidding for or negotiating orders, and collecting payments.

Competition

Transmission Industry

The transmission industry is fragmented and highly competitive in the PRC. Under the current market trend, domestically produced transmissions account for the largest share of the PRC market. International brand manufacturers equipped with better technology and capital resources are also aiming to expand into the PRC. As a result, it is expected that the PRC transmission market will become more competitive.

The typical competitive criteria are quality, price, technology, after-sales service, product offering, and performance record. The transmissions market is capital intensive. In addition, the manufacturing process requires technical expertise and significant research and development budgets. As a result, companies entering the market must have significant financial and technical resources. Moreover, the time and cost required to establish a proven track record, necessary for general market acceptance, are substantial. An extensive after-sales service network is essential for a company to gain general market acceptance.

Greenland believes that it is able to compete based on its market position, strong research and development capabilities, high quality products, integrated service systems, and strong relationships with its customers.

Our key competitors are Shaoxing Advance Gearbox Co., Ltd., Changsha Zhongchuan Transmission Machinery Co. Ltd., and Ganzhou Wuhuan Machine Co., Ltd.

Electric Industrial Heavy Equipment Industry

Utilizing Greenland's expertise in manufacturing and R&D, it established HEVI in January 2020 to create clean and sustainable products and services in the heavy industrial equipment industry that help organizations pursue a carbon neutral operation. HEVI designs, develops, and manufactures electric heavy industrial equipment and accessories and sells them directly to the end consumers in various markets in the United States. HEVI's product line available for purchase includes the GEL-5000 all-electric lithium 5.0-ton rated load wheeled front loader, GEL-1800 all-electric lithium 1.8-ton rated load wheeled front loader, the GEX-8000 all-electric lithium 8.0-ton rated load excavator, and the GEF-series of electric lithium forklifts. In August 2022, HEVI launched a 54,000 square foot industrial electric vehicle assembly site in Baltimore, Maryland to support local assembly, services and distribution of its product line. In July 2024, HEVI announced a partnership with Lonking Holdings Limited to develop and distribute heavy electric machinery and related technology specialized for the US market. In August 2024, HEVI launched its H55L all-electric wheeled front-end loader, which can lift up to six tons in indoor and outdoor applications without the mess and emissions of diesel, and the H65L all-electric wheeled front-end loader, a lithium battery wheeled front-end loader.

Fast Growing Market. The global construction equipment market is anticipated to grow at a compound annual growth rate ("CAGR") of 3.9% from 2024 to 2030, reaching US$187 billion, according to a February 2025 report published by MarketsandMarkets. The North American market is projected to exhibit one of the fastest growth rates during the forecast period. Consequently, we believe this growth will increase with the introduction of the United State infrastructure overhaul program. Should the program be implemented, then it will be a powerful driver of growth in the engineering and construction industry that will proliferate the demand for industrial equipment.

Call for Carbon Emission Reduction. Global efforts to reduce greenhouse gas and carbon emissions continue to grow with proposals such as the current U.S. administration seeking a target of net zero emission by 2050. These strategies will result in government and public support for the adoption of emission zero technologies and equipment across industries thus boosting the demand for eco-friendly electric powered industrial heavy equipment. As such, we expect that the demand for electric industrial heavy equipment will increase rapidly.

Highly Fragmented and Emerging Market. The electric industrial heavy equipment market is highly fragmented with few, if any, dominant local market participants. Although a few conventional industrial heavy equipment and construction equipment makers are in the process of electric products development, a majority are years away from product deployment. This is to avoid cannibalization with the mature fossil fuel-powered equipment product lines which results in the lack of incentive to launch the full-electric industrial heavy equipment at the near term. As a result, with the early mover advantage together with Greenland's strong research and development capability, we believe that Greenland is well-positioned to secure a meaningful role in the electric industrial heavy equipment market.

High Technology Barriers for New Entrants. To compete in the electric industrial heavy equipment market, enterprises need a high-level of core technologies and capabilities in order to successfully develop a commercial product. The investment and expertise required create a high barrier of entry for new market players. Greenland's success in the material handling industry and its achievements in research and development milestones gives Greenland the opportunity and the competitive edge to successfully compete in the industrial heavy equipment market.

Distribution Barriers for Market Leaders. Traditional OEMs in the industrial heavy equipment industry sell through established dealership models which have been proven to be difficult to adapt to electric alternatives. These dealerships rely heavily on service/maintenance revenue. As electric products require over 40% less of maintenance costs, it is challenging for OEMs to motivate their dealers to promote and service the new technology. Without a dealer network to cater to, we believe Greenland is well-positioned to establish a meaningful role in the electric industrial heavy equipment market.

Our key competitors in the industrial heavy equipment industry are the traditional diesel-powered industrial heavy equipment manufacturers such as Caterpillar, Volvo CE and John Deere.

Employees

As of December 31, 2025, the total number of full-time employees employed at Greenland and its subsidiaries was 340, with 336 employees located in the PRC and four employees located in the U.S. As of December 31, 2024, the total number of full-time employees employed at Greenland and its subsidiaries was 345, with 337 employees located in the PRC and 8 employees located in the U.S. The following table sets forth the number of its full-time employees by function as of December 31, 2025:

Function	Number
Management	8
Administration	16
Production	275
Research and development	17
Sales and marketing	15
Other	9
Total	340

Greenland maintains mandatory social security insurance for its employees pursuant to Chinese laws. Furthermore, it contributes mandatory social security funds for employees with respect to retirement, medical, work-related injury, maternity, and unemployment benefits. Greenland has also included retirement plans for its employees in the U.S., including social security and pension along with medical, vision, dental, workers compensation, work-related injury and maternity benefits.

Greenland believes that its success and continued growth depend on its ability to attract, retain, and motivate qualified employees. Greenland offers its employees competitive salaries, comprehensive training, and other fringe benefits and incentives. None of our employees are represented by labor unions, and no collective bargaining agreement has been put in place. Greenland has not had any labor strikes or other labor disturbances that have materially interfaced with its operations, and it believes that it has maintained a good work relationship with its employees.

Properties and Facilities

The address of our principal executive offices and corporate offices is 50 Millstone Road, Building 400, Suite 130, East Windsor, New Jersey 08512.

Our office in China is located at Room 4,10-F, Building #12, Sunking Plaza, Gaojiao Road, Hangzhou, Zhejiang Province, China, 311122. Our manufacturing and R&D facilities are all located in Xinchang County, Zhejiang Province, China.

Properties Owned by us

As of December 31, 2025, Greenland held land use rights of four parcels of land with an aggregate site area of approximately 81,171 square meters, located in Xinchang County, Zhejiang Province, PRC. The terms of these land use rights are due to expire on November 14, 2062.

As of December 31, 2025, Greenland held three building ownership certificates for three buildings with an aggregate gross floor area of approximately 44,751 square meters. These properties are primarily used for production and office purposes.

Property Leased by us

As of December 31, 2025, Greenland leased an office space with an aggregate floor area of approximately 1,440 square feet in New Jersey and a monthly rent of $2,910.

The Company believes that the properties we currently own and lease for our business operations are adequate to meet our needs for the foreseeable future.

Legal Proceedings

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are not party to, and our property is not the subject of, any material legal proceedings.

Regulations

PRC Law and Regulation

Policy Relating to the Foreign Invested General Equipment Manufacturing Industry

The PRC implements its guidance on foreign investment in different industries through the Catalogue for the Guidance of Foreign Investment Industries and the Special Administrative Measures (Negative List) for Foreign Investment Access jointly amended and promulgated by the National Development and Reform Commission and the Ministry of Commerce from time to time. According to the Catalogue of Encouraged Industries for Foreign Investment (Edition 2022) and the Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) currently in force, the business activities that we engage in are not classified as "prohibited" or "restricted" foreign invested industries.

Law and Regulation Relating to Product Quality

Pursuant to the Product Quality Law of the PRC, which was promulgated on February 22, 1993 and amended on December 29, 2018, it is prohibited to produce or sell products that do not meet the standards or requirement for safeguarding human health and ensuring human and property safety.

Where a defective product causes physical injury to a person or damage to property, the aggrieved party may claim compensation against the producer or the seller of such product. Where the responsibility for product defects lies with the producer, the seller shall, after settling compensation, have the right to recover such compensation from the producer, and vice versa. Violations of the Product Quality Law may result in the imposition of fines. In addition, the seller or the producer may be ordered to suspend operation and its business license may be revoked. Criminal liability may be incurred in serious cases.

Law and Regulation Relating to Production Safety

Pursuant to the Production Safety Law of the PRC (the "Production Safety Law") promulgated by the Standing Committee of the National People's Congress on June 29, 2002, last amended on June 10, 2021 and effective on September 1, 2021, enterprises and institutions shall be equipped with the conditions for safe production as provided in the Production Safety Law and other relevant laws, administrative regulations, national standards and industrial standards. Any entity that is not equipped with such conditions is not allowed to engage in production and business operation activities.

The law also requires manufacturers to offer education and training programs to their employees regarding production safety and to hire qualified employees who have completed special trainings to engage in specialized operations. Manufacturers are required to provide protection equipment that meets the national or industry standards to employees and to supervise and educate them regarding the use of such equipment. In addition, the design, manufacture, installation, use, inspection and maintenance of safety equipment are required to conform to applicable national or industry standards. Furthermore, emergency measures shall be established by an enterprise to prepare for the occurrence of any accidents threatening safe production.

Law and Regulation Relating to Environmental Protection

The laws and regulations governing the environmental requirements for all units that cause environmental pollution and other public hazards in the PRC include, but are not limited to, the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China, and the Administrative Regulations on Environmental Protection for Construction Projects. Pursuant to these laws and regulations, depending on the impacts on the environment caused by the project, environmental impact assessment documents shall be submitted by a developer for approval or record at the required time. In addition, a construction project for which an environment impact report or environment impact statement is formulated shall be put into production or use only when its complementary environmental protection facilities pass acceptance inspection.

Law and Regulation Relating to Labor Protection

Pursuant to the Labor Law of the PRC and the Labor Contract Law of the PRC which came into effect on January 1, 1995 (amended on December 29, 2018) and January 1, 2008 (amended on December 28, 2012), respectively, labor contracts shall be concluded if labor relationships are to be established between the employer and the employees.

Pursuant to the Social Insurance Law of the PRC which was promulgated on October 28, 2010 and last amended on December 29, 2018, employees shall participate in basic pension insurance, basic medical insurance and unemployment insurance. Basic pension, medical and unemployment insurance contributions shall be paid by both employers and employees. Employees shall also participate in work-related injury insurance and maternity insurance. Work-related injury insurance and maternity insurance contributions shall be paid by employers rather than employees. An employer shall make registration with the local social insurance agency in accordance with the provisions of the Social Insurance Law of PRC. Moreover, an employer shall declare and make social insurance contributions in full and on time. Pursuant to the Regulations on Management of Housing Provident Fund which was promulgated on April 3, 1999 and amended on March 24, 2019, employers shall undertake registration at the competent administrative center of housing provident fund and then, undergo the procedures of opening the account of housing provident fund for their employees. Enterprises are also obliged to timely pay and deposit housing provident fund for their employees in full amount.

Law and Regulation Relating to Tax

Enterprise Income Tax

On March 16, 2007 and December 6, 2007 respectively, the National People's Congress of China and the State Council of the PRC (the "State Council") enacted the Enterprise Income Tax Law of the PRC and the Implementation Regulations of Enterprise Income Tax Law of the PRC (collectively the "PRC EIT Law"), both of which became effective on January 1, 2008 (amended successively from 2017 to 2024). The PRC EIT Law imposes a uniform enterprise income tax rate of 25% on all residence enterprises, including foreign-invested enterprises, and terminates most of the tax exemptions, reductions and preferential treatments available under previous tax laws and regulations.

However, the PRC EIT Law and its implementation rules permit certain "high-technology enterprises strongly supported by the state" which hold independent ownership of core intellectual property and simultaneously meet a list of other criteria, financial or non-financial, as stipulated in the Implementation Rules, to enjoy a 15% enterprise income tax rate subject to certain new qualification criteria. The State Administration of Taxation (the "SAT"), the PRC Ministry of Science and Technology and the MOF jointly issued the Administrative Rules for the Certification of High and New Technology Enterprise delineating the specific criteria and procedures for "high and new technology enterprises" certification.

Under the PRC EIT Law, enterprises are classified as either "resident enterprises" or "non-resident enterprises." Pursuant to PRC EIT Law and its implementation rules, besides enterprises established within the PRC, enterprises established outside PRC whose "de facto management bodies" are located in PRC are considered "resident enterprises" for PRC enterprise income tax purposes and subject to the uniform 25% enterprise income tax rate for their global income. According to the implementation rules of the PRC EIT Law, "de facto management body" refers to a managing body that exercises, in substance, overall management and control over the manufacture and business, personnel, accounting and assets of an enterprise.

Withholding Tax

The PRC EIT Law removes the prior tax exemption and imposes a 10% withholding tax on dividends paid by foreign-invested enterprises to foreign investors. However, for foreign investors whose home countries or regions have signed bilateral tax agreements with PRC, the withholding tax rate may be reduced to as low as 5% depending on the terms of the applicable tax treaty. In accordance with the Arrangement between Mainland PRC and Hong Kong for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income signed on August 21, 2006, the 5% withholding tax rate applies to dividends paid by a PRC company to a Hong Kong tax resident, provided that the recipient is a company that holds directly at least 25% of the interest of the PRC company, otherwise, the applicable withholding tax rate should be 10%. Further, pursuant to the Notice on the Issues concerning the Application of the Dividend Clauses of Tax Agreements issued by the SAT on February 20, 2009, the preferential tax rate under the relevant tax treaties shall only apply to a tax resident from the other side that directly holds at least 25% of the interest of a PRC company for a period of consecutive 12 months prior to receiving the dividends.

Value Added Tax

Under the Value-added Tax Law of the PRC and its Implementation Regulations, both effective from January 1, 2026, VAT is levied on a wide range of activities within China. The taxable scope encompasses the sale of goods, the provision of services (such as processing and repair), the transfer of intangible assets and immovable property, and the importation of goods. The current VAT system employs multiple tiers, including standard rates such as 13%, 9%, and 6%, as well as a zero rate applicable particularly to exported goods and certain cross-border services.

Regulations of Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies

On February 17, 2023, the CSRC published the Regulations of Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "Trial Measures") and its accompanying guidelines and instructions, which came into effect on March 31, 2023, and will apply if a domestic enterprise issues shares, depositary receipts, corporate bonds convertible into shares, or other securities of an equity nature outside of the PRC, or lists its securities for trading outside of the PRC. According to such regulations, a domestic enterprise that issues and lists its securities outside of the PRC shall comply with the filing procedures and report the relevant information to the CSRC. Where

a domestic company fails to fulfill filing procedure, offers and lists securities in an overseas market in violation of the Trial Measures, or the filing documents contain misrepresentation, misleading statement or material omission, the CSRC shall order rectification, issue warning to such domestic company, and impose a fine.

Law and Regulation Relating to Intellectual Property Rights

Copyright Law

According to the Copyright Law of the PRC, which was amended on November 11, 2020 and became effective on June 1, 2021, Chinese citizens, legal entities or other organizations shall enjoy the copyright in their works, whether published or not, which include original intellectual achievements in the fields of literature, art and science which can be expressed in a certain form. Copyright owners shall enjoy various kinds of rights, including the right of publication, right of authorship and right of reproduction.

Patent Law

Pursuant to the Patent Law of the PRC which was amended on October 17, 2020 and became effective on June 1, 2021, the patent administration departments of the State Council are responsible for the administration of patents across the nation. The patent administration departments of provincial, autonomous region or municipal governments are responsible for administering patents within their respective jurisdictions. The PRC patent system adopts a "first come, first file" principle, which means where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first. To be patentable, invention or utility models must meet three criteria: novelty, inventiveness and practicability. Invention patents are valid for 20 years, while utility model patents are valid for 10 years and design patents are valid for 15 years, commencing from the date of application. The patentee shall pay annual fees commencing from the year when the parent right is granted. If the patentee does not pay annual fees according to the requirements, the patent will be terminated prior to its expiry. Other person must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement of the patent rights. The infringer must, in accordance with the applicable regulations, undertake to cease the infringement, take remedial action and/or pay damages.

Trademark Law

Pursuant to the Trademark Law of the PRC which was amended on April 23, 2019 and became effective on November 1, 2019, the right to exclusive use of a registered trademark shall be limited to trademarks which have been approved for registration and to commodities for which the use of trademark has been approved. The period of validity of a registered trademark shall be 10 years, counted from the day the registration is approved. If a trademark registrant wishes to use a trademark after the expiration of the duration of the trademark registration, according to the requirements, a registration renewal application should be filed within 12 months prior to the expiration. Each registration renewal is valid for 10 years. Using a trademark that is identical with a registered trademark on the same commodities without the licensing of the registrant of the registered trademark; or using a trademark that is similar to a registered trademark on the same commodities, or using a trademark that is identical with or similar to the registered trademark on similar commodities without the licensing of the registrant of the registered trademark, which is likely to cause confusion; selling commodities that infringe upon the exclusive right to use a registered trademark; forging, manufacturing a registered trademark which was registered by others without authorization, or selling a registered trademark forged or manufactured without authorization; changing a registered trademark and putting the commodities with the changed trademark into the market without the consent of the registrant of the registered trademark; providing, intentionally, convenience for activities infringing upon others' exclusive right to use a registered trademark, and facilitating others to commit infringement on the exclusive right to use a registered trademark, constitutes an infringement of the exclusive right to use a registered trademark. The infringer must undertake to cease the infringement, take remedial action and pay damages. The infringer also may be subject to fines or even criminal punishment.

Domain Names

The domain names are protected under the Administrative Measures for Internet Domain Names promulgated by Ministry of Industry and Information Technology, or the MIIT, on August 24, 2017, the effective date of which was November 1, 2017. MIIT is the major regulatory body responsible for the administration of the PRC Internet domain names, under supervision of which PRC Internet Network Information Center, or CNNIC, is responsible for the daily administration of CN domain names and Chinese domain names On June 18, 2019, CNNIC promulgated the

Implementing Rules for the Registration of National Top-level Domain Names, the Measures for the Resolution of Disputes over National Top-level Domain Names and the Procedures for the Resolution of Disputes over National Top-level Domain Names in accordance with the Administrative Measures for Internet Domain Names. Pursuant to such rules, the registration of domain names adopts the "first to file" principle and the registrant shall complete the registration via the domain name registration service institutions. In the event of a domain name dispute, the disputed parties may lodge a complaint to the designated domain name dispute resolution institution to trigger the domain name dispute resolution procedure in accordance with the CNNIC Measures on Resolution of the Top-Level Domains Disputes, file a suit to the People's Court or initiate an arbitration procedure.

Law and Regulation Relating to Foreign Currency Exchange

The principal regulations governing foreign currency exchange in the PRC are the Foreign Exchange Administrative Regulations (the "SAFE Regulations") which was promulgated by the State Council and last amended on August 5, 2008. Under the SAFE Regulations, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service-related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the State Administration of Foreign Exchange is obtained.

U.S. Laws and Regulations

Battery Safety and Testing

Our battery packs of electric industrial heavy equipment will be subject to various U.S. regulations that govern transport of "dangerous goods," defined to include lithium batteries, which may present a risk in transportation. We expect to use lithium battery packs in our electric industrial heavy equipment. The use, storage and disposal of our battery packs are regulated under existing laws and are the subject of ongoing regulatory changes that may add additional requirements in the future.

Product Liability Law

U.S. state law generally imposes liability on all manufacturers and retailers (and parties in the supply chain) for injuries that result from unsafe, defective, and dangerous products sold to consumers. Product liability claims in the United States are typically based on three theories of law: (1) strict liability, (2) negligence and (3) breach of warranty. In addition, as noted above, U.S. laws and regulations can also obligate manufacturers and retailers (and parties in the supply chain) to remedy product defects, which can include safety recall campaigns.

Parties involved in manufacturing, distributing, or selling a product may be subject to liability for harm caused by a defect in that product. There are three types of product defects, namely, design defects, manufacturing defects and defects in marketing. In a negligence claim, a defendant may be held liable for personal injury or property damage caused by the failure to use due care. Strict liability claims, however, do not depend on the degree of carefulness by the defendant. A defendant is liable when it is shown that an injury (personal or to property) occurred as the result of a product's defect. Breach of warranty is also a form of strict liability in the sense that a showing of fault is not required. The plaintiff need only establish the warranty was breached, regardless of how that came about. Companies that manufacture, distribute or sell a product in a particular state may be subject to the jurisdiction of such state's product liability laws, whether the company's jurisdiction of incorporation or principal place of business is in that state, in another U.S. state or in a non-U.S. jurisdiction.

Product liability legal actions and recall campaigns in the United States ("Product Liability Matters") could involve personal injury and property damage and could involve claims for substantial monetary damages. The results of any future litigation and claims involving product liability in the United States are inherently unpredictable.

Employment and Labor Law

Private businesses operating in the United States are subject to employment laws of the federal governments, state government, and, to a lesser extent, local counties or municipalities. These laws govern many aspects of the workplace as set forth herein and failure to comply can result in fines and penalties from relevant oversight agencies and liability to employees, which can include a multiple of actual damages, counsel fees, and punitive damages for certain violations.

Businesses that operate in New Jersey must comply with governing federal laws and New Jersey State laws (together, "US-NJ Employment Laws"). The default rule in New Jersey is that, in the absence of a labor agreement or contract for employment for a specified term, employment is terminable at will. Employers have a right to discharge an employee at any time, for any reason, or for no reason, provided the termination is not for a reason prohibited by law.

Broadly, our obligation to comply with applicable US-NJ Employment Laws, includes laws and rules relating to:

(i) Wage and hour standards, such as paying required overtime for employees who do not meet exemption requirements and work in excess of 40 hours in a week, paying minimum wage, and paying wages when due;

(ii) Providing leave and leave benefits to eligible employees, including requirements that unpaid family leave and unpaid leave for reasons including domestic violence or sexual assault shall be provided by covered employers;

(iii) Non-discrimination and anti-retaliation;

(iv) Providing reasonable accommodations to and engaging in the interactive process with employees with disabilities, religious needs, or other protected characteristics;

(v) Ensuring employees are eligible to be employed in the United States; and

(vi) Occupational safety.

Failure to comply with the US-NJ Employment Laws may, in some instances, expose us to civil liability to employees or former employees for compensatory damages, statutory damages, as well as punitive damages and counsel fees. We could also be subject to fines, penalties, and assessments from various regulatory authorities.

ITEM 1A. RISK FACTORS

The following is a summary of certain risks that should be carefully considered along with the other information contained or incorporated by reference in this Report and the documents incorporated by reference, as updated by our subsequent filings under the Exchange Act. If any of the following events actually occurs, our business, operating results, prospects, or financial condition could be materially and adversely affected. The risks described below are not the only ones that we face. Additional risks not presently known to us or that we currently deem immaterial may also significantly impair our business operations and could result in a complete loss of your investment.

Summary of Risk Factors

An investment in our Class A ordinary shares is subject to a number of risks, including risks related to our business and industry, risks related to our corporate structure, risks related to doing business in China and risks related to our Class A ordinary shares. You should carefully consider all of the information in this Report before making an investment in the Class A ordinary shares. The following list summarizes some, but not all, of these risks. Please read the information in this section for a more thorough description of these and other risks.

Risks Related to Our Business and Industry

For more detailed discussions of the following risks, see "Risk Factors — Risks Related to our Business and Industry" on pages 25 through 32.

- Our subsidiaries' business operations are cash intensive, and our subsidiaries' business could be adversely affected if we fail to maintain sufficient levels of liquidity and working capital;
- We grant relatively long payment terms for accounts receivable which can adversely affect our cash flow;
- Our subsidiaries face short lead-times for delivery of products to customers. Failure to meet delivery deadlines could result in the loss of customers and damage to our reputation and goodwill;
- Our subsidiaries face intense competition, and if we are unable to compete effectively, we may not be able to maintain profitability;

- Our revenues are highly dependent on a limited number of customers and the loss of any one of our subsidiaries' major customers could materially and adversely affect our growth and revenues;
- As our subsidiaries expand their operations, they may need to establish a more diverse supplier network for raw materials. The failure to secure a more diverse supplier network could have an adverse effect on our financial condition;
- To remain competitive, our subsidiaries are introducing new lines of business, including the production and sale of electric industrial heavy equipment. If these efforts are not successful, our results of operations may be materially and adversely affected;
- New lines of business, including the production and sale of electric industrial heavy equipment, may subject us and our subsidiaries to additional risks;
- Tariffs and other trade barriers imposed on Chinese goods, including components manufactured in the PRC and assembled in the United States by HEVI, could materially and adversely affect our business, financial condition, and results of operations;
- Volatile steel prices can cause significant fluctuations in our operating results. Our revenues and operating income could decrease if steel prices increase or if our subsidiaries are unable to pass price increases on to their customers;
- We are subject to various risks and uncertainties that may affect our subsidiaries' ability to procure raw materials; and
- Geopolitical conflicts involving Iran, military actions in the Middle East, and the war in Ukraine may adversely affect economic conditions in the U.S., China and globally, and cause significant volatility in the trading price of our Class A ordinary shares.

Risks Related to Doing Business in China

For more detailed discussions of the following risks, see "Risk Factors — Risks Related to Doing Business in China" on pages 32 through 42.

- Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business and operations;
- Uncertainties arising from the legal system in China, including uncertainties regarding the interpretation and enforcement of PRC laws and the possibility that regulations and rules can change quickly with little advance notice, could hinder our ability to offer or continue to offer our securities, result in a material adverse change to our business operations, and damage our reputation, which could materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless. See "Risk Factors — Risks Related to Doing Business in China — The PRC government exerts substantial influence over the manner in which we must conduct our business activities. If the Chinese government significantly regulates the business operations of our PRC subsidiaries in the future and our PRC subsidiaries are not able to substantially comply with such regulations, our business operations may be materially adversely affected and the value of our Class A ordinary shares may significantly decrease" and "Risk Factors — Risks Related to Doing Business in China — Uncertainties with respect to the PRC legal system could adversely affect us and our PRC subsidiaries";
- The Chinese government may intervene or influence our operations at any time or may exert more control over offerings conducted overseas and/or foreign investment in China-based issuers. Any actions by the Chinese government to exert more oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of such securities to significantly decline or become worthless. See "Risk Factors — Risks Related to Doing Business in China — The PRC government exerts substantial influence over the manner in which we must conduct our business activities. If the Chinese government significantly regulates the business operations of our PRC subsidiaries in the

future and our PRC subsidiaries are not able to substantially comply with such regulations, our business operations may be materially adversely affected and the value of our Class A ordinary shares may significantly decrease";

- Our future offerings will need to be filed with the CSRC, along with compliance with any other applicable PRC rules, policies and regulations, in connection with any future offering of our securities. Any failure to filing, or delay in filing, or failure to complying with any other applicable PRC requirements for an offering, may subject us to sanctions imposed by the relevant PRC regulatory authority. In addition, if applicable laws, regulations, or interpretations change such that we are required to obtain approval in the future and we fail to obtain such approvals, we may be subject to an investigation by competent regulators, fines or penalties, or an order prohibiting us from conducting an offering, and these risks could result in a material adverse change in our operations and the value of our Class A ordinary shares, significantly limit or completely hinder our ability to offer or continue to offer securities to investors, or cause such securities to significantly decline in value or become worthless. See "Risk Factors — Risks Related to Doing Business in China — We are required under PRC laws to submit filings to CSRC for our future offerings. However, we believe that we are not currently required to obtain the approval and/or comply with other requirements of the CSRC, the CAC, or other PRC governmental authorities under PRC rules, regulations or policies in connection with our continued listing on Nasdaq. In the event that any such approval is required or that there are other requirements we are obligated to comply with, we cannot predict whether or how soon we will be able to obtain such approvals and/or comply with such requirements." and "Risk Factors — Risks Related to Doing Business in China — We may be liable for improper use or appropriation of personal information provided by our customers and any failure to comply with PRC laws and regulations over data security could result in materially adverse impact on our business, results of operations, and our continued listing on Nasdaq";
- Our subsidiaries may be liable for improper use or appropriation of personal information provided by their customers and any failure to comply with PRC laws and regulations over data security could result in materially adverse impact on our business, results of operations, and our continued listing on Nasdaq;
- You may have difficulty enforcing judgments against us;
- Under the PRC Enterprise Income Tax Law, we may be classified as a "Resident Enterprise" of China. Such classification will likely result in unfavorable tax consequences to us and our non-PRC shareholders;
- PRC regulation of loans to, and direct investments in, PRC entities by offshore holding companies may delay or prevent us from using proceeds from our future financing activities to make loans or additional capital contributions to our PRC subsidiaries;
- We may rely on dividends paid by our subsidiaries for our cash needs, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct business;
- Governmental control of currency conversion may limit our ability to utilize our revenues effectively and affect the value of your investment;
- U.S. regulatory bodies may be limited in their ability to conduct investigations or inspections of our operations in China; and
- Our securities may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditor in the future. Any future delisting and cessation of trading of our securities, or the threat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections of our auditor in the future would deprive our investors of the benefits of such inspections. See "Risk Factors — Risks Related to Doing Business in China — Our Class A ordinary shares may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditors. The delisting and the cessation of trading of our Class A ordinary shares, or the threat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections."

Risks Related to Our Class A Ordinary Shares

For more detailed discussions of the following risks, see "Risk Factors — Risks Related to Our Class A Ordinary Shares" on pages 42 through 45.

Nasdaq has recently adopted and proposed new listing rules that could result in the accelerated delisting of our Class A ordinary shares.

- Our dual-class share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A ordinary shares may view as beneficial;
- The dual-class structure of our ordinary shares may adversely affect the trading market for the Class A ordinary shares;
- Future sales of our Class A ordinary shares, whether by us or our shareholders, could cause the price of our Class A ordinary shares to decline;
- Because we do not expect to pay dividends in the foreseeable future, you must rely on the price appreciation of our Class A ordinary shares for return on your investment; and
- Techniques employed by short sellers may drive down the market price of our Class A ordinary shares.

Risks Related to our Business and Industry

Our subsidiaries' business operations are cash intensive, and our subsidiaries' business could be adversely affected if we fail to maintain sufficient levels of liquidity and working capital.

As of December 31, 2024 and 2025, we had approximately $8.61 million and $7.85 million of cash and cash equivalents, respectively. Historically, we have spent a significant amount of cash on our operational activities, principally to procure raw materials for our subsidiaries' products. Our short-term loans are from Chinese banks and are generally secured by a portion of our fixed assets, land use rights and/or guarantees by related parties. Certain of these loans are secured against a portion of the shares of our PRC subsidiaries. The term of a majority of such loans is one year. Historically, we rolled over such loans on an annual basis. However, we may not have sufficient funds available to pay all of our borrowings upon maturity in the future. Failure to roll over our short-term borrowings at maturity or to service our debt could result in a transfer of the ownership of a portion of the shares of our PRC subsidiaries to secured lenders, the imposition of penalties, including increases in interest rates, legal actions against us by our creditors, and even insolvency.

Although we have been able to maintain adequate working capital primarily through cash from operations and short-term and long-term borrowings, any failure by our customers to settle outstanding accounts receivable, or our inability to borrow sufficient capital from local banks in the future could materially and adversely affect our cash flow, financial condition and results of operations.

We grant relatively long payment terms for accounts receivable which can adversely affect our cash flow.

As is customary in China, for competitive reasons, we grant relatively long payment terms to most of our subsidiaries' customers. The allowances we establish for our receivables may not be adequate. We are subject to the risk that we may be unable to collect accounts receivable in a timely manner. If the accounts receivable cannot be collected in time, or at all, a significant amount of expected credit losses will occur, and our business, financial condition and results of operation will likely be materially and adversely affected.

Our subsidiaries face short lead-times for delivery of products to customers. Failure to meet delivery deadlines could result in the loss of customers and damage to our reputation and goodwill.

Most of our subsidiaries' customers are large manufacturers, who generally place large orders for our subsidiaries' products and require prompt delivery. Our subsidiaries' product sale agreements typically contain short lead-times for the delivery of products and tight production and manufacturer supply schedules that can reduce our profit margins on the products procured from our subsidiaries' suppliers. Our subsidiaries' suppliers may lack sufficient capacity at any

given time to meet all of the demands from our subsidiaries' customers if orders exceed their production capacity. Our subsidiaries strive for rapid response to customer demands, which can lead to reduced purchasing efficiency, increased procurement costs and low profit margins. If our subsidiaries are unable to meet the customer demands, they may lose customers. Moreover, failure to meet customer demands may damage our reputation and goodwill.

Our subsidiaries face intense competition, and, if our subsidiaries are unable to compete effectively, we may not be able to maintain profitability.

Our subsidiaries compete with many other companies located in the PRC and internationally that manufacture similar products. Many of our subsidiaries' competitors are larger companies with greater financial resources. Intense competition in a challenging economic environment in the PRC has, in the past, put pressure on our margins and may adversely affect our future financial performance. Moreover, intense competition may result in potential or actual litigation between our subsidiaries and their competitors relating to such activities as competitive sales practices, relationships with key suppliers and customers or other matters.

It is likely that our subsidiaries' competitors will seek to develop similar competing products in the near future. Some of our subsidiaries' competitors may have more resources than our subsidiaries do, operate in greater scale, be more capitalized than our subsidiaries are, have access to cheaper raw materials than our subsidiaries do, or offer products at a more competitive price. There can be no assurance that our initial competitive advantage will be retained and that one or more competitors will not develop products that are equal or superior in quality and are better priced than our subsidiaries' products. If our subsidiaries are unable to compete effectively, our results of operations and financial position may be materially and adversely affected.

Our revenues are highly dependent on a limited number of customers and the loss of any one of our subsidiaries' major customers could materially and adversely affect our growth and revenues.

During the fiscal years ended December 31, 2025 and 2024, our subsidiaries' five largest customers contributed 40.32% and 40.60% of our revenues, respectively. For the years ended December 31, 2025 and 2024, Greenland's single largest customer, Hangcha Group, accounted for 15.07% and 14.19%, respectively, of Greenland's total revenue, and Greenland's second largest customer, Longgong Forklift Truck, accounted for 10.05% and 11.94%, respectively, of Greenland's total revenue.

As a result of our subsidiaries' reliance on a limited number of customers, our subsidiaries may face pricing and other competitive pressures, which may have a material adverse effect on our profits and our revenues. The volume of products sold for specific customers varies from year to year, especially since our subsidiaries are not the exclusive provider for any customers. In addition, there are a number of factors that could cause the loss of a customer or a substantial reduction in the products that our subsidiaries provide to any customer that may not be predictable. For example, our subsidiaries' customers may decide to reduce spending on our subsidiaries' products or a customer may no longer need our subsidiaries' products following the completion of a project. The loss of any one of our subsidiaries' major customers, a decrease in the volume of sales to our subsidiaries' customers or a decrease in the price at which our subsidiaries sell their products to customers could materially adversely affected our profits and revenues.

In addition, this customer concentration may subject our subsidiaries to perceived or actual leverage that our subsidiaries' customers may have in negotiations, given their relative size and importance to our subsidiaries. If our subsidiaries' customers seek to negotiate their agreements on terms less favorable to our subsidiaries and our subsidiaries accept such terms, such unfavorable terms may have a material adverse effect on our subsidiaries' business and our financial condition and results of operations. Accordingly, unless and until our subsidiaries diversify and expand their customer base, our future success will significantly depend upon the timing and volume of business from our subsidiaries' largest customers and the financial and operational success of these customers.

As our subsidiaries expand their operations, they may need to establish a more diverse supplier network for raw materials. The failure to secure a more diverse supplier network could have an adverse effect on our financial condition.

In the event that our subsidiaries need to diversify their supplier network, our subsidiaries may not be able to procure a sufficient supply of raw materials at a competitive price, which could have an adverse effect on our results of operations, financial condition and cash flows. Furthermore, despite our subsidiaries' efforts to control their supply of raw materials and maintain good relationships with their existing suppliers, our subsidiaries could

lose one or more of their existing suppliers at any time. The loss of one or more key suppliers could increase our subsidiaries' reliance on higher cost or lower quality supplies, which could negative affect our profitability. Any interruptions to, or decline in, the amount or quality of our subsidiaries' raw materials supply could materially disrupt our subsidiaries' production and adversely affect our subsidiaries' business and our financial condition and financial prospects.

Our efforts to diversify into electric industrial heavy equipment may not be successful, and the suspension of substantially all of HEVI's operations due to tariff uncertainty could materially and adversely affect our business, results of operations, and financial condition.

To remain competitive, we have sought to diversify our product offerings beyond our traditional transmission systems and integrated powertrains for material handling machinery by expanding into the production and sale of electric industrial heavy equipment. Prior to December 2020, through Zhongchai Holding and its PRC subsidiaries, our products primarily consisted of transmission systems and integrated powertrains for material handling machinery, particularly electric forklift trucks. In December 2020, through our subsidiary HEVI, we launched a new division focused on the production and sale of electric industrial heavy equipment as part of our strategy to diversify our business.

HEVI's electric industrial heavy equipment product portfolio includes lithium-powered electric forklifts, electric wheeled loaders, electric excavators, and related charging solutions, which have been marketed primarily in the United States. HEVI also established an assembly and distribution facility in Maryland and entered into strategic partnerships intended to support the development and commercialization of electric heavy machinery for the U.S. market. Despite these efforts, this line of business remains at an early stage and has not yet demonstrated sustained commercial success.

Our expansion into electric industrial heavy equipment involves significant risks and uncertainties. We have limited operating history and experience in this segment, which differs materially from our legacy business. We may encounter difficulties in product development, manufacturing, supply chain management, regulatory compliance, distribution, customer adoption, and after-sales service. Our products may not achieve market acceptance, may face strong competition from established manufacturers, or may not be cost-competitive. As a result, we may be unable to generate sufficient revenue to recover our investment or achieve profitability.

In addition, substantially all of HEVI's business operations have been suspended since 2025 due to uncertainty regarding tariff policy, which has adversely affected our ability to manufacture, import, distribute, and sell electric industrial heavy equipment. This suspension has limited HEVI's revenue-generating activities and may continue for an extended period. Although HEVI intends to resume operations once the policy environment stabilizes, there can be no assurance as to when, or whether, such stabilization will occur, or whether HEVI will be able to successfully restart operations on commercially reasonable terms.

If the suspension of HEVI's operations continues, or if we are unable to successfully resume or scale this business following a resumption of operations, our transition into electric industrial heavy equipment may be delayed or unsuccessful. During this transition period, our revenues may remain limited, our operating losses may increase, and our results of operations, financial condition, cash flows, and business prospects could be materially and adversely affected.

Tariffs and other trade barriers imposed on Chinese goods, including components manufactured in the PRC and assembled in the United States by HEVI, could materially and adversely affect our business, financial condition, and results of operations.

Our business is subject to significant risks arising from the trade policies of the United States government with respect to Chinese goods, and the broader relationship between the United States and the PRC. HEVI's electric industrial heavy equipment products are manufactured using components sourced from and manufactured in the PRC, which are then assembled into finished products in the United States. As a result, U.S. tariff policies on Chinese goods have a direct and material impact on HEVI's cost structure and business operations. In February 2025, President Donald J. Trump declared a national emergency under the International Emergency Economic Powers Act ("IEEPA") and announced the imposition of a 10% tariff on all imports from China, citing concerns related to trade imbalances and national security. These tariffs were subsequently lifted following the U.S. Supreme Court's ruling in Learning Resources in February 2026. A temporary 10% global tariff on imports was separately imposed under Section 122

of the Trade Act of 1974. Tariffs imposed under Section 301 of the Trade Act of 1974 and Section 232 of the Trade Expansion Act of 1962 remain unaffected by the Supreme Court's ruling and continue to apply to Chinese goods. As of February 2026, average U.S. tariff rates on Chinese goods were approximately 34%, excluding exemptions and Section 232 actions, further increasing the cost burden on U.S. importers of PRC-manufactured components and potentially affecting demand for products sourced from the PRC.

The imposition of these tariffs, and any future escalation thereof, significantly increases the landed cost of PRC-manufactured components imported by HEVI for assembly in the United States, potentially rendering HEVI's finished products less competitive relative to domestically produced alternatives or products sourced from non-tariffed jurisdictions. Our operating subsidiaries, including HEVI, may be unable to pass increased costs through to their customers, whether due to competitive pricing pressures, contractual constraints, or prevailing market conditions, which would compress margins and adversely affect profitability.

The business operations of HEVI have been suspended since 2025 due to the uncertainty surrounding U.S. tariff policy and the broader trade war between the United States and the PRC, as described elsewhere in this Report. Because HEVI's products rely on components manufactured in the PRC, the imposition of tariffs on Chinese goods has materially disrupted HEVI's ability to import components at commercially viable costs, thereby rendering its assembly and distribution operations in the United States economically unviable under current tariff conditions. To the extent that HEVI's suspension is prolonged or becomes permanent, the practical impact of tariffs on HEVI's near-term operations may be limited; however, any future resumption of HEVI's business activities would require the continued importation of PRC-manufactured components into the United States, which would be subject to the full scope of applicable tariff regimes. The costs and uncertainties associated with those tariffs could impede or delay any such resumption. Additionally, the continued application of tariffs affects the broader competitive and cost environment in which our other subsidiaries operate.

More broadly, any deterioration in the relationship between the United States and the PRC, whether arising from tariff disputes, geopolitical tensions, sanctions, export controls, or other trade-related measures, could further increase the costs associated with importing PRC-manufactured components into the United States or limit our ability to source such components altogether. Given HEVI's dependence on PRC-manufactured components for its assembly operations in the United States, any such deterioration would have a particularly direct and adverse impact on HEVI's operations and cost structure. If existing tariffs remain in place, are further escalated, or if new tariff regimes are introduced targeting Chinese goods or components, our business, financial condition, and results of operations could be materially and adversely affected.

Volatile steel prices can cause significant fluctuations in our operating results. Our revenues and operating income could decrease if steel prices increase or if our subsidiaries are unable to pass price increases on to their customers.

Our subsidiaries' principal raw materials are processed metal parts and components which are made of carburizing steel. The steel industry as a whole is cyclical and, at times, pricing and availability of steel can be volatile due to numerous factors beyond our subsidiaries' control, including general domestic and international economic conditions, labor costs, sales levels, competition, levels of inventory, consolidation of steel producers, higher raw material costs for steel producers, import duties and tariffs and currency exchange rates. This volatility can significantly affect the availability and cost of raw materials.

Our subsidiaries' suppliers, like many other processed metal parts and components manufacturers, maintain substantial inventories of steel to accommodate the short lead times and just-in-time delivery requirements of customers. Accordingly, our subsidiaries' suppliers purchase steel in an effort to maintain their inventory at levels that they believe to be appropriate to satisfy the anticipated needs of customers based upon historic buying practices, supply agreements with customers and market conditions. When steel prices increase, competitive conditions will influence how much of the price increase suppliers would pass on to our subsidiaries and how much our subsidiaries can pass on to their customers. To the extent our subsidiaries are unable to pass on future price increases in raw materials to their customers, the revenues and profitability of our business could be adversely affected.

We are subject to various risks and uncertainties that might affect our subsidiaries' ability to procure raw materials.

Our performance depends upon our subsidiaries' ability to procure low cost, high quality raw materials on a timely basis from their suppliers. Our subsidiaries' suppliers are subject to certain risks, including the availability of raw materials, labor disputes, inclement weather, natural disasters, and general economic and political conditions, which

might limit the ability of our subsidiaries' suppliers to provide low-cost, high-quality merchandise on a timely basis. Furthermore, for these or other reasons, one or more of our subsidiaries' suppliers might not adhere to our subsidiaries' quality control standards, and our subsidiaries might not identify the deficiency. Any failure by our subsidiaries' suppliers to supply quality materials at a reasonable cost on a timely basis could reduce our net sales or profits, damage our reputation and have an adverse effect on our financial condition.

Our subsidiaries may lose their competitive advantage, and their operations may suffer, if they fail to prevent the loss or misappropriation of, or disputes over, their intellectual property.

Our subsidiaries rely on a combination of patents, trademarks, trade secrets and confidentiality agreements to protect their intellectual property rights. While our subsidiaries are not currently aware of any infringement on their intellectual property rights, our subsidiaries' ability to compete successfully and to achieve future revenue growth will depend, in significant part, on their ability to protect their proprietary technology. Despite many laws and regulations promulgated, as well as other efforts made, by China over the past several years in an attempt to protect intellectual property rights, intellectual property rights are not as certain in China as they would be in many Western countries, including the United States. Furthermore, enforcement of such laws and regulations in China has not been fully developed. Neither the administrative agencies nor the court systems in China are as equipped as their counterparts in developed countries to deal with violations or handle the nuances and complexities between compliant technological innovation and non-compliant infringement.

Our subsidiaries' transmission technology is protected through a combination of patents, trade secrets, confidentiality agreements and other methods. However, our subsidiaries' competitors may independently develop similar proprietary methodologies or duplicate our products, or develop alternatives, which could have a material adverse effect on our subsidiaries' business and our results of operations and financial condition. The misappropriation or duplication of our subsidiaries' intellectual property could disrupt their ongoing business, distract our management and employees, reduce our revenues and increase our expenses. Our subsidiaries may need to litigate to enforce their intellectual property rights. Any such litigation could be time consuming and costly and the outcome of any such litigation cannot be guaranteed.

Our PRC subsidiaries have limited insurance coverage for their operations in China and may incur losses resulting from product liability claims, business interruption or natural disasters.

Our PRC subsidiaries have limited insurance coverage for their operations in China, and our PRC subsidiaries are therefore exposed to risks associated with product liability claims against our PRC subsidiaries or otherwise against their operations in the PRC in the event that the use of our PRC subsidiaries' products results in property damage or personal injury. Since our subsidiaries' transmission products are ultimately incorporated into forklifts, it is possible that users of forklifts or people installing these products could be injured or killed, whether as a result of defects, improper installation or other causes. We are unable to predict whether product liability claims will be brought against our PRC subsidiaries in the future or to predict the impact of any resulting adverse publicity on our PRC subsidiaries' business. The successful assertion of product liability claims against our PRC subsidiaries could result in potentially significant monetary damages and require us to make significant payments. Our subsidiaries do not carry product liability insurance and may not have adequate resources to satisfy a judgment in the event of a successful claim against us. In addition, our subsidiaries do not currently, and may not in the future, maintain business interruption insurance coverage. As such, our subsidiaries may suffer losses that result from interruptions in their operations as a result of inability to operate or failures of equipment and infrastructure at our subsidiaries' facilities. Our subsidiaries also do not currently maintain catastrophe insurance. As such, any natural disaster or man-made disaster could result in substantial losses and diversion of our subsidiaries' resources to address the effects of such an occurrence, which could materially and adversely affect our subsidiaries' business and our financial condition and results of operations.

Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Our PRC subsidiaries are required under PRC laws to participate in various government sponsored employee benefit plans, including social security insurance, housing funds and other welfare-oriented payments, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of their employees up to a maximum amount specified by the local government from time to time at locations where our PRC subsidiaries operate their businesses. Our PRC subsidiaries have not made adequate employee benefit payments to the social

security insurance and the housing fund. As a result, they may be required to make up the contributions for these plans within a stipulated period of time. In addition, our PRC subsidiaries may be required to pay late fees equal to 0.05% of the shortage of the contributions to the social security fund for each day our PRC subsidiaries fail to make up the contributions and may be imposed fines up to three times of such shortage if our PRC subsidiaries fail to make up the difference within the time frame prescribed by relevant government authorities. The maximum amount of such penalties that we anticipate could be imposed on our PRC subsidiaries with respect such employee benefits payments is approximately US$200,000. If our PRC subsidiaries are subject to late fees or fines in relation to the underpaid employee benefits, our financial condition and results of operations may be adversely affected. As of the date of this Report, our PRC subsidiaries have not been ordered to pay outstanding contributions or related penalties.

If labor costs in the PRC increase substantially, our PRC subsidiaries' business and our costs of operations may be adversely affected.

In recent years, the Chinese economy has experienced inflation and labor cost increases. Average wages are projected to continue to increase. Further, under PRC law an employer is required to pay various statutory employee benefits, including pensions, housing funds, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of its employees. The relevant government agencies may examine whether an employer has made adequate payments to the statutory employee benefits, and those employers who fail to make adequate payments may be subject to late payment fees, fines and/or other penalties. We expect that our labor costs, including wages and employee benefits, will continue to increase based on the past trends. If we are unable to control our labor costs or pass such increased labor costs on to our subsidiaries' customers, our financial condition and results of operations may be adversely affected.

We may not be able to effectively protect our intellectual property from unauthorized use by others.

Through its subsidiaries, we hold patents, trademarks and other intellectual properties that are critical to our business in the PRC. Any of our intellectual property rights could be challenged, invalidated, circumvented or misappropriated, or such intellectual property may not be sufficient to provide us with competitive advantages. We cannot assure you that (i) all of the intellectual property rights we owned will be adequately protected, or (ii) our intellectual property rights will not be challenged by third parties or found by a judicial authority to be invalid or unenforceable. Moreover, there can be no assurance that we will obtain such trademarks and any other trademarks that are crucial to our business in the future. Thus, third parties may also take the position that we are infringing their rights, and we may not be successful in defending these claims. Additionally, we may not be able to enforce and defend its proprietary rights or prevent infringement or misappropriation, without incurring substantial expenses to us and a significant diversion of management time and attention from our business strategy.

To protect our parents, trademarks and other proprietary rights, we rely on and expect to continue to rely on a combination of physical and electronic security measures and trademark, patent and trade secret protection laws. If the measures we have taken to protect our proprietary rights are inadequate to prevent the use or misappropriation by third parties or such rights are diminished due to successful challenges, the value of our brand and other intangible assets may be diminished and our ability to attract and retain customers may be adversely affected.

Competition for our and our subsidiaries' employees is intense, and we and our subsidiaries may not be able to attract and retain the highly skilled employees needed to support our subsidiaries' business.

As we continue to experience growth, our future success depends on our and our subsidiaries' ability to attract, develop, motivate and retain highly qualified and skilled employees, including engineers, financial personnel and marketing professionals. Competition for highly skilled engineering, sales, technical and financial personnel is extremely intense. We and our subsidiaries may not be able to hire and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Many of the companies with which we and our subsidiaries compete for experienced employees have greater resources than we and our subsidiaries have and may be able to offer more attractive terms of employment.

In addition, we and our subsidiaries invest significant time and expense in training our employees, which increases their value to competitors who may seek to recruit them. If we and our subsidiaries fail to retain our employees, we could incur significant expenses in hiring and training their replacements, and the quality of our products could decrease, resulting in a material adverse effect on our subsidiaries' business.

Our business depends on the continued efforts of our senior management. If one or more of our key executives were unable or unwilling to continue in their present positions, our business may be severely disrupted.

Our business operations depend on the continuing services of our senior management. While we have provided different incentives to our management, we cannot assure you that we can continue to retain their services. If one or more of our key executives were unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, our future growth may be constrained, business may be severely disrupted and our financial condition and results of operations may be materially and adversely affected, and we may incur additional expenses to recruit, train and retain qualified personnel. In addition, although we have entered into a non-competition agreement with Mr. Peter Zuguang Wang, the chairman of our board of directors, there is no assurance that Mr. Wang will not join our competitors or form a competing business. If any dispute arises between us and Mr. Wang, we may incur substantial costs and expenses in order to enforce the non-competition agreement in China, and we may be unable to enforce it at all.

We do not maintain "key person" insurance, and as a result, we may incur losses if any of our directors, executive officers, senior manager or other key employees chooses to terminate his or her services with us.

We do not maintain "key person" insurance for our directors, executive officers, senior management or other key employees. If any of our key employees terminate his or her services or otherwise becomes unable to provide continuous services to us, our business, financial condition and results of operations may be materially and adversely affected and we may incur additional expenses to recruit, train and retain qualified personnel. If any of our executive officers or key employees joins a competitor or forms a competing company, we may lose customers, operational know-how and key professionals and staff members.

Geopolitical conflicts involving Iran, military actions in the Middle East, and the war in Ukraine may adversely affect economic conditions in the U.S., China and globally, and cause significant volatility in the trading price of our Class A ordinary shares.

U.S. and global markets are experiencing volatility and disruption as a result of the outbreak or escalation of wars including Russia's launch of a full-scale military invasion of Ukraine, conflicts between Israel and Hamas. Although the length and impact of these ongoing conflicts are highly unpredictable, these conflicts have led to market disruptions, including significant volatility in commodity prices, credit, and capital markets. In addition, as a result of the ongoing conflicts around the world, we may experience other risks, difficulties and challenges in the way we conduct our business and operations generally. For example, the conflict could adversely affect supply chains and impact our ability to control raw material costs. A protracted conflict between Ukraine and Russia or between Israel and Hamas, any escalation of either conflict, and the wider global economy and market conditions could, in turn, have a material adverse impact on our business, financial condition, cash flows and results of operations and could cause the market value of our Class A ordinary shares to decline.

The heightened military conflict involving the United States, Israel, and Iran, which escalated significantly in February 2026, has led to profound instability in global financial and energy markets. These events, including the closure of strategic airspaces and critical maritime routes such as the Strait of Hormuz and the Red Sea, have contributed to a dramatic increase in the price of oil and gas and created widespread market uncertainty. China is particularly exposed to these developments, as it is the largest purchaser of Iranian crude oil, having absorbed nearly 90% of Iran's total crude exports as of early 2026. Any sustained disruption to Iranian oil exports, whether resulting from military action, the imposition of additional sanctions, or the closure of key maritime transit routes, could materially reduce the supply of crude oil available to China, drive up domestic energy costs, and exert significant downward pressure on China's broader economy. The ongoing disruptions caused by these military actions, and the potential for further escalation, could result in protracted and severe damage to the global economy and investment climate, with disproportionate consequences for China-based businesses such as us.

Furthermore, the continuing war in Ukraine and the resulting sanctions levied by the United States, the European Union, and other nations against Russia continue to impact global financial markets. The extent and duration of these military actions in the Middle East and Eastern Europe, as well as the resulting sanctions and market disruptions, are impossible to predict but are expected to remain substantial. The cumulative effect of these geopolitical pressures,

including elevated global energy prices, supply chain disruptions, and reduced international trade flows, may weigh materially on China's economic growth, consumer spending, and business investment, each of which is relevant to our ability to sustain and grow our business operations China.

Such geopolitical instability often leads to broad sell-offs in the equity markets and heightened investor sensitivity to risk. To the extent that disruptions to Iranian oil exports or other geopolitical developments adversely affect China's energy supply, increase domestic production costs, or dampen consumer confidence and economic activity within China, our business, financial condition, and results of operations could be materially and adversely affected. Consequently, these developments may also materially and adversely affect the market price of our Class A ordinary shares, regardless of our actual operating performance. We cannot predict the ultimate progress or outcome of these situations, and any prolonged unrest or intensified military activities could have a material adverse effect on the global economy and, in particular, on economic conditions in China, which in turn could negatively impact our financial condition and the value of our securities.

High inflation rates may adversely affect us by increasing costs beyond what we can recover through price increases and limit our ability to enter into future traditional debt financing.

Inflation can adversely affect us by increasing costs of critical materials, equipment, labor, and other services. In addition, inflation is often accompanied by higher interest rates. Continued inflationary pressures could impact our profitability. Inflation may also affect our ability to enter into future traditional debt financing, as high inflation may result in an increase in cost.

The outcome of litigation, inquiries, investigations, examinations, or other legal proceedings in which we are involved, in which we may become involved, or in which our clients or competitors are involved could distract management, increase our expenses, or subject us to significant monetary damages or restrictions on our ability to do business.

From time to time, we are subject to litigations or legal proceedings in connection with our business operations. The scope and outcome of these proceedings is often difficult to assess or quantify. Plaintiffs in lawsuits may seek recovery of large amounts, and the cost to defend such litigation may be significant.

Any negative outcomes from above material litigation or any other regulatory actions or litigation or claims, including monetary penalties or damages or injunctive provisions regulating or restricting how we conduct our business could have a material adverse effect on our business, financial condition, results of operations and reputation. Regardless of whether any current or future claims in which we are involved have merit, or whether we are ultimately held liable or subject to payment of penalties, such investigations and claims have been and may continue to be expensive to defend, may divert management's time away from our operations and may result in changes to our business practices that adversely affect our results of operations.

Risks Related to Doing Business in China

Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business and operations.

A substantial majority of our assets and operations are located in China. Accordingly, our business, financial condition, results of operations and prospects may be influenced to a significant degree by political, economic and social conditions in China generally. The PRC economy differs from the economies of most developed countries in many respects, including with regard to the level of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies.

The PRC government also exercises significant control over China's economic growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, and providing preferential treatment to particular industries or companies.

While the PRC economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy, and the rate of growth has been slowing since 2012. Any adverse changes in economic conditions in China, in the policies of the PRC government or in the laws and regulations in China could have a material adverse effect on the overall economic growth of China. Such developments could adversely affect our business and operating results, lead to reduction in demand for our subsidiaries' products and adversely affect our subsidiaries' competitive position. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall PRC economy, but may have a negative effect on us and our subsidiaries. For example, our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations. In addition, in the past the PRC government has implemented certain measures, including interest rate adjustment, to control the pace of economic growth. These measures may cause decreased economic activity in China, which may adversely affect our business and operating results.

Uncertainties with respect to the PRC legal system could adversely affect us and our PRC subsidiaries.

The PRC legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value. Since these laws and regulations are relatively new and the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform and the enforcement of these laws, regulations and rules involves uncertainties.

In addition, we and our PRC subsidiaries are subject to risks and uncertainties of the interpretations and applications of PRC laws and regulations, including, but not limited to, limitations on foreign ownership in the industry our PRC subsidiaries operate. We and our PRC subsidiaries are also subject to the risks and uncertainties about any future actions of the PRC government. If any future actions of the PRC government result in a material change in our operations, and the value of our Class A ordinary shares may depreciate significantly or become worthless.

The PRC government exerts substantial influence over the manner in which our PRC subsidiaries must conduct their business activities. If the Chinese government significantly regulates the business operations of our PRC subsidiaries in the future and our PRC subsidiaries are not able to substantially comply with such regulations, the business operations of our PRC subsidiaries may be materially and adversely affected and the value of our Class A ordinary shares may significantly decrease.

The PRC government has exercised, and continues to exercise, substantial control over virtually every sector of the Chinese economy through regulation and state ownership, including steel sector where our PRC subsidiaries have been doing their business. Any government decisions or actions to change the way steel production is regulated, or any decisions the government might make to cut spending, could adversely impact our PRC subsidiaries' business and our results of operations. In addition, the ability of our PRC subsidiaries to operate in China may be harmed by changes in PRC laws and regulations, including those relating to taxation, environmental conditions, land use rights, property and other matters. The central or local governments of these jurisdictions may impose new, stricter regulations or interpretations of existing regulations that would require additional expenditures and efforts on our part to ensure our compliance with such regulations or interpretations. Accordingly, government actions in the future, including regional or local variations in the implementation of economic policies, could have a significant effect on economic conditions in China or particular regions thereof, and could require us to divest ourselves of any interest we then hold in Chinese properties.

We believe that our PRC subsidiaries' operations in China are in material compliance with all applicable legal and regulatory requirements. However, the central or local governments of the jurisdictions in which our PRC subsidiaries operate may impose new, stricter regulations or interpretations of existing regulations with little advance notice that would require additional expenditures and efforts on their part to ensure our subsidiaries' compliance with such regulations or interpretations.

Our PRC subsidiaries may incur increased costs necessary to comply with existing and newly adopted laws and regulations or penalties for any failure to comply. In the event that our PRC subsidiaries are not able to substantially comply with any existing or newly adopted laws and regulations, our business operations may be materially adversely affected and the value of our Class A ordinary shares may significantly decrease.

Furthermore, the PRC government authorities may strengthen oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers like us. Such actions taken by the PRC government authorities may intervene or influence the operations of our PRC subsidiaries at any time, which may be beyond our control. Therefore, any such action may adversely affect the operations of our PRC subsidiaries and substantially limit or hinder our ability to offer or continue to offer securities to you and significantly reduce the value of such securities or cause the value of such securities to be completely worthless.

We are required under PRC laws to submit filings to CSRC for our future offerings. However, we believe that we and our PRC subsidiaries are not currently required to obtain the approval and/or comply with other requirements of the CSRC, the CAC, or other PRC governmental authorities under PRC rules, regulations or policies in connection with our continued listing on Nasdaq. In the event that any such approval is required or that there are other requirements we and/or our PRC subsidiaries are obligated to comply with, we cannot predict whether or how soon we and/or our PRC subsidiaries will be able to obtain such approvals and/or comply with such requirements.

The PRC government authorities may strengthen future oversight over offerings that are conducted overseas. For instance, on July 6, 2021, the relevant PRC governmental authorities promulgated the Opinions on Strictly Cracking Down on Illegal Securities Activities, which emphasized the need to strengthen the PRC government's supervision over overseas listings by PRC companies. Pursuant to the Opinions, effective measures, such as promoting the construction of relevant regulatory systems, are to be taken to deal with the risks of China-based overseas-listed companies, cybersecurity and data privacy protection requirements and similar matters. The Cybersecurity Review Measures (Decree No. 8 of the Cybersecurity Administration of the PRC), or the revised Cybersecurity Review Measures, enacted on December 28, 2021 and came into effect on February 15, 2022, also require online platform operators holding over one million users' personal information to apply for a cybersecurity review before any public offering on a foreign stock exchange. These statements and regulations are recently issued, and there remain substantial uncertainties about their interpretation and implementation. See also "— Our PRC subsidiaries may be liable for improper use or appropriation of personal information provided by their customers and any failure to comply with PRC laws and regulations over data security could result in materially adverse impact on our business, results of operations, and our continued listing on Nasdaq."

On February 17, 2023, the CSRC published the Regulations of Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "Trial Measures") and its accompanying guidelines and instructions, which came into effect on March 31, 2023, and will apply if a domestic enterprise issues shares, depositary receipts, corporate bonds convertible into shares, or other securities of an equity nature outside of the PRC, or lists its securities for trading outside of the PRC. According to such regulations, a domestic enterprise that issues and lists its securities outside of the PRC shall comply with the filing procedures and report the relevant information to the CSRC. A domestic enterprise shall not be listed on an overseas stock exchange if any of the following circumstances exists: (i) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (v) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. The Trial Measures changes the management of licensing to record management, strengthen the supervision in the aftermath, create a more transparent and predictable institutional environment, and support the standardized development of enterprises using the overseas capital market.

According to the Notice on Filing Management Arrangements for Overseas Listings of Domestic Enterprises issued and implemented by the CSRC on February 17, 2023, since the date of effectiveness of the Trial Measures, the domestic enterprises falling within the scope of filing that have been listed overseas or met the following circumstances are existing enterprises: Before the effectiveness of the Trial Measures, the application for indirect overseas issuance and listing has been agreed by the overseas regulators or overseas stock exchanges (such as having passed the hearing on the Hong Kong market or registration become effective as agreed on the U.S. market, etc.), and it is not required to perform issuance and listing supervision procedures of the overseas regulators or overseas stock exchanges (such

as rehearing on the Hong Kong market, etc.), and the overseas issuance and listing shall have been completed by September 30, 2023. According to the above regulations, the Company is an existing enterprise, which do not be required to file immediately, and filing should be made as required if they involve refinancing and other filing matters.

As of the date of this Report, we believe we and our PRC subsidiaries are not required to obtain any permission from PRC authorities (including the CSRC and the CAC) to operate our PRC subsidiaries' business as presently conducted or continue being listed on Nasdaq. Therefore, as of the date of this Report, we and our PRC subsidiaries have not applied for any permission or approval from any PRC governmental authority in connection with our offshore listing and, as such, no such permission or approval has been granted or denied. However, if it fails to comply with the Trial Measures during future issuance of securities or listing on other stock exchanges outside of China, we may be subjected sanctions imposed by the PRC regulatory authorities, and our reputation, financial condition, and results of operations may be materially and adversely affected.

To the extent cash in the business is in the mainland China/Hong Kong or a mainland China/Hong Kong entity, the funds may not be available to fund operations or for other use outside of the mainland China/Hong Kong due to interventions in or the imposition of restrictions and limitations on the ability of our Company or our subsidiaries by the PRC government to transfer cash.

Relevant mainland PRC laws and regulations permit companies in mainland China to pay dividends only out of their respective retained earnings, if any, as determined in accordance with mainland China accounting standards and regulations. Additionally, each of the companies in mainland China are required to set aside at least 10% of its after-tax profits each year, if any, to fund a statutory reserve until such reserve reaches 50% of its registered capital. These reserves are not distributable as cash dividends. Furthermore, in order for us to pay dividends to our shareholders, we may rely on payments made from our mainland PRC subsidiaries to their respective shareholders and then to our Company. If these entities incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us.

Our cash dividends, if any, will be paid in U.S. dollars. If we are considered a tax resident enterprise of mainland China for tax purposes, any dividends we pay to our overseas shareholders may be regarded as mainland China-sourced income and as a result may be subject to mainland PRC withholding tax. See "— Risks Related to Doing Business in China — Under the PRC Enterprise Income Tax Law, we may be classified as a 'Resident Enterprise' of China. Such classification will likely result in unfavorable tax consequences to us and our non-PRC shareholders." The PRC government also imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Shortages in foreign currencies may restrict our ability to pay dividends or other payments, or otherwise satisfy our foreign currency denominated obligations, if any. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade-related transactions, can be made in foreign currencies without prior approval from the State Administration of Foreign Exchange as long as certain procedural requirements are met. Approval from appropriate government authorities is required if Renminbi is converted into foreign currency and remitted out of mainland China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may, at its discretion, impose restrictions on access to foreign currencies for current account transactions and if this occurs in the future, we may not be able to pay dividends in foreign currencies to our shareholders.

As of the date of this Report, there are no restrictions or limitations imposed by the Hong Kong government on the transfer of capital within, into, and out of Hong Kong (including funds from Hong Kong to mainland China), except for the transfer of funds involving money laundering and criminal activities. However, there is no guarantee that the Hong Kong government will not promulgate new laws or regulations that may impose such restrictions in the future. If there is a significant change to current political arrangements between mainland China and Hong Kong, or the applicable laws, regulations, or interpretations change, our Hong Kong subsidiary may become subject to PRC laws or authorities. As a result, our Hong Kong subsidiary could be subject to similar government controls on the convertibility of foreign currency and the remittance of currency out of Hong Kong as described above.

As a result of the above, to the extent cash in the business is in the mainland China/Hong Kong or a mainland China/Hong Kong entity, such funds or assets may not be available to fund operations or for other use outside of the mainland China/Hong Kong, due to interventions in or the imposition of restrictions and limitations on the ability of us or our subsidiaries by the competent government to the transfer of cash.

Our PRC subsidiaries may be liable for improper use or appropriation of personal information provided by their customers and any failure to comply with PRC laws and regulations over data security could result in materially adverse impact on our business, results of operations, and our continued listing on Nasdaq.

Our PRC subsidiaries' business involves collecting and retaining certain internal and customer data. Our PRC subsidiaries also maintain information about various aspects of their operations. The integrity and protection of customer and company data is critical to our business. Our subsidiaries' customers expect that our subsidiaries will adequately protect their personal information. Our PRC subsidiaries are required by applicable laws to keep strictly confidential the personal information that they collect, and to take adequate security measures to safeguard such information.

The PRC Criminal Law, as amended by its Amendment 7 (effective on February 28, 2009) and Amendment 9 (effective on November 1, 2015), prohibits institutions, companies and their employees from selling or otherwise illegally disclosing a citizen's personal information obtained in performing duties or providing services or obtaining such information through theft or other illegal ways. On November 7, 2016, the Standing Committee of the PRC National People's Congress issued the Cyber Security Law of the PRC, or Cyber Security Law, which became effective on June 1, 2017. Pursuant to the Cyber Security Law, network operators must not, without users' consent, collect their personal information, and may only collect users' personal information necessary to provide their services. Providers are also obliged to provide security maintenance for their products and services and shall comply with provisions regarding the protection of personal information as stipulated under the relevant laws and regulations.

The Civil Code of the PRC (issued by the PRC National People's Congress on May 28, 2020 and effective from January 1, 2021) provides the legal basis for privacy and personal information infringement claims under the Chinese civil laws. PRC regulators, including the CAC, the Ministry of Industry and Information Technology, and the Ministry of Public Security, have been increasingly focused on regulation in data security and data protection.

The PRC regulatory requirements regarding cybersecurity are evolving. For instance, various regulatory bodies in China, including the CAC, the Ministry of Public Security and the State Administration for Market Regulation, have enforced data privacy and protection laws and regulations with varying and evolving standards and interpretations. In April 2020, the Chinese government promulgated Cybersecurity Review Measures, which came into effect on June 1, 2020. According to the Cybersecurity Review Measures, operators of critical information infrastructure must pass a cybersecurity review when purchasing network products and services which do or may affect national security.

In December 2021, the CAC and other related authorities promulgated the revised Cybersecurity Review Measures, which came into effect on February 15, 2022. The revised Cybersecurity Review Measures propose the following key changes:

- online platform operators who are engaged in data processing are also subject to the regulatory scope;
- the CSRC is included as one of the regulatory authorities for purposes of jointly establishing the state cybersecurity review working mechanism;
- the online platform operators holding more than one million users' individual information and seeking a listing outside China shall file for cybersecurity review with the Cybersecurity Review Office; and
- the risks of core data, material data or large amounts of personal information being stolen, leaked, destroyed, damaged, illegally used or transmitted to overseas parties and the risks of critical information infrastructure, core data, material data or large amounts of personal information being influenced, controlled or used maliciously shall be collectively taken into consideration during the cybersecurity review process.

Certain internet platforms in China have reportedly become subject to heightened regulatory scrutiny in relation to cybersecurity matters. As of the date of this Report, we have not been included within the definition of "operator of critical information infrastructure" by a competent authority, nor have we been informed by any PRC governmental authority of any requirement that we file for a cybersecurity review. However, if we are deemed to be a critical information infrastructure operator or an online platform operator that is engaged in data processing and holds personal information of more than one million users, we could be subject to PRC cybersecurity review in the future.

As there remains significant uncertainty in the interpretation and enforcement of relevant PRC cybersecurity laws and regulations, we could be subject to cybersecurity review. In addition, we could become subject to enhanced cybersecurity review or investigations launched by PRC regulators in the future. Any failure or delay in the completion of the cybersecurity review procedures or any other non-compliance with the related laws and regulations may result in fines or other penalties, including suspension of business, website closure and revocation of prerequisite licenses, as well as reputational damage or legal proceedings or actions against us and/or our PRC subsidiaries, which may have material adverse effect on our business, financial condition or results of operations. As of the date of this Report, we and our PRC subsidiaries have not been involved in any investigations on cybersecurity review initiated by the CAC or related governmental regulatory authorities, and we and our PRC subsidiaries have not received any inquiry, notice, warning, or sanction in such respect.

On June 10, 2021, the Standing Committee of the National People's Congress of China promulgated the PRC Data Security Law, which took effect in September 2021. The PRC Data Security Law imposes data security and privacy obligations on entities and individuals carrying out data activities, and introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, and the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, illegally acquired or used. The PRC Data Security Law also provides for a national security review procedure for data activities that may affect national security and imposes export restrictions on certain data an information.

As of the date of this Report, we do not expect that the current PRC laws on cybersecurity or data security would have a material adverse impact on our business operations. However, as the scope of the PRC Data Security Law is broad and includes the collection, storage, use, processing, transmission, availability and disclosure of data, among others, and uncertainties remain regarding the interpretation and implementation of these laws and regulations, we cannot assure you that we and our PRC subsidiaries will comply with such regulations in all respects and we and/or our PRC subsidiaries may be ordered to rectify or terminate any actions that are deemed illegal by regulatory authorities. Any directly liable person within our Company for violations or alleged violations of the PRC Data Security Law may become subject to fines. We and/or our PRC subsidiaries may also become subject to fines and/or other sanctions that may have material adverse effect on our business, operations and financial condition.

On September 24, 2024, the CAC released the Administrative Regulations on the Network Data Security, or the Data Security Regulations, which became effective on January 1, 2025. The Data Security Regulations may apply to the use of networks to carry out data processing activities and the supervision and administration of network data security within the territory of the PRC and apply to activities outside the territory of the PRC to process personal information of any natural persons within the territory of the PRC under any of the following circumstances: (i) for the purpose of providing products or services to domestic natural persons; (ii) analyze and evaluate the behavior of domestic natural persons; and (iii) other circumstances stipulated by laws and administrative regulations. The Data Security Regulations further stipulate that where it is indeed necessary to transfer "important data" collected and generated by a network data processor during its operation within the territory of the PRC to overseas parties, it shall pass the security assessment for cross-border data transfer organized by the CAC. Network data processors should identify and declare "important data" in accordance with the relevant provisions, but they are not required to conduct security assessment for outbound data transfer for data that has not been notified or published as "important data" by relevant departments or regions. In addition, the Data Security Regulations provides that data processors that process "important data" must conduct an annual data security assessment with regard to the data process activities, and submit the assessment report to relevant competent authorities at or above the provincial level. Since the Data Security Regulations is newly promulgated, there remains uncertainty as to how it will be implemented and interpreted by the competent authorities and whether the PRC regulatory agencies, including the CAC, will adopt new laws, regulations, rules, or detailed implementation and interpretation related to security assessment. We cannot predict the impact of the Data Security Regulations on us, if any, at this stage, and we will closely monitor and assess any development in the implementation and interpretation of the Data Security Regulations. Even though we do not believe our business activities fall under the scope of Data Security Regulations, in the event that a competent PRC governmental authority concludes otherwise, we face uncertainties as to whether such clearance can be timely obtained, or at all.

A severe or prolonged downturn in the PRC or global economy could materially and adversely affect our business and our financial condition.

The global macroeconomic environment is facing challenges. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. Geopolitical conflicts involving Iran, current military actions in the Middle East, as well as the conflicts involving Ukraine, Syria, Russia and North Korea may result in volatility and disruptions to the economy in the U.S., China, and globally. See also "Risks Related to our Business and Industry — Geopolitical conflicts involving Iran, military actions in the Middle East, and the war in Ukraine may adversely affect economic conditions in the U.S., China and globally, and cause significant volatility in the trading price of our Class A ordinary shares." There have also been concerns on the relationship among China and other Asian countries, which may result in, or intensify potential conflicts in relation to, territorial disputes, and the trade disputes between China and other countries. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term.

Economic conditions in China are sensitive to global economic conditions, changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. While the economy in China has grown significantly over the past decades, growth has been uneven, both geographically and among various sectors of the economy, and the rate of growth has been slowing in recent years. Although growth of China's economy remained relatively stable, there is a possibility that China's economic growth may materially decline in the near future. Any severe or prolonged slowdown in the global or PRC economy may materially and adversely affect our business, results of operations and financial condition.

You may have difficulty enforcing judgments against us.

A significant portion of our assets are located, and a substantial amount of our subsidiaries' operations are conducted, in the PRC. In addition, some of our directors and officers are nationals or residents of the PRC, including our acting chief financial officer, Ms. Chenyang Wang, and independent directors, Mr. Ming Zhao and Mr. Zheng He, and a substantial majority of their assets are located outside the United States. As a result, it may be difficult to effect service of process within the United States upon these persons. In addition, there is uncertainty as to whether the courts of the PRC would recognize or enforce judgments of U.S. courts because China does not have any treaties or other arrangements that provide for the reciprocal recognition and enforcement of foreign judgments with the United States. In addition, according to the PRC Civil Procedures Law, courts in the PRC will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates basic principles of PRC law or national sovereignty, security, or the public interest.

Under the PRC Enterprise Income Tax Law, we may be classified as a "Resident Enterprise" of China. Any classification as such will likely result in unfavorable tax consequences to us and our non-PRC shareholders.

Under the PRC EIT Law, an enterprise established outside of China with "de facto management bodies" within China is considered a "resident enterprise," meaning that it can be subject to an enterprise income tax, or EIT, rate of 25.0% on its global income. In April 2009, the SAT promulgated a circular, known as Circular 82, and partially amended by Circular 9 promulgated in January 2014, to clarify the certain criteria for the determination of the "de facto management bodies" for foreign enterprises controlled by PRC enterprises or PRC enterprise groups. Under Circular 82, a foreign enterprise is considered a PRC resident enterprise if all of the following apply: (1) the senior management and core management departments in charge of daily operations are located mainly within China; (2) decisions relating to the enterprise's financial and human resource matters are made or subject to approval by organizations or personnel in China; (3) the enterprise's primary assets, accounting books and records, company seals, and board and shareholders' meeting minutes are located or maintained in China; and (4) 50.0% or more of voting board members or senior executives of the enterprise habitually reside in China. Further to Circular 82, the SAT issued a bulletin, known as Bulletin 45, effective in September 2011 and amended on June 1, 2015 and October 1, 2016, to provide more guidance on the implementation of Circular 82 and clarify the reporting and filing obligations of such "Chinese controlled offshore incorporated resident enterprises." Bulletin 45 provides for, among other matters, procedures for the determination of resident status and administration of post-determination matters. Although Circular 82 and Bulletin 45 explicitly provide that the above standards apply to enterprises that are registered outside China and controlled by PRC enterprises or PRC enterprise groups, Circular 82 may reflect the SAT's criteria for determining the tax residence of foreign enterprises in general.

If the PRC tax authorities determine that we are a "resident enterprise" for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow. First, we may be subject to the enterprise income tax at a rate of 25% on our worldwide taxable income as well as PRC enterprise income tax reporting obligations. In our case, this would mean that income such as non-China source income would be subject to PRC enterprise income tax at a rate of 25%. Second, under the PRC EIT Law, dividends paid to us from our PRC subsidiaries would be deemed as "qualified investment income between resident enterprises" and therefore qualify as "tax-exempt income" pursuant to the clause 26 of the PRC EIT Law. Finally, it is possible that future guidance issued with respect to the new "resident enterprise" classification could result in a situation in which the dividends we pay with respect to our Class A ordinary shares, or the gain our non-PRC shareholders may realize from the transfer of our Class A ordinary shares, may be treated as PRC-sourced income and may therefore be subject to a 10% PRC withholding tax. The PRC EIT Law is, however, relatively new and ambiguities exist with respect to the interpretation and identification of PRC-sourced income, and the application and assessment of withholding taxes. If we are required under the PRC EIT Law to withhold PRC income tax on dividends payable to our non-PRC shareholders, should there be a determination in the future to pay dividends, or if non-PRC shareholders are required to pay PRC income tax on gains on the transfer of their Class A ordinary shares, our business could be negatively impacted and the value of your investment may be materially reduced. Further, if we were treated as a "resident enterprise" by PRC tax authorities, we would be subject to taxation in both China and such countries in which we have taxable income, and our PRC tax may not be creditable against such other taxes.

PRC regulation of loans to, and direct investments in, PRC entities by offshore holding companies may delay or prevent us from using proceeds from our future financing activities to make loans or additional capital contributions to our PRC subsidiaries.

As an offshore holding company with PRC subsidiaries, we may transfer funds to our PRC subsidiaries or finance our PRC entities by means of loans or capital contributions. Any capital contributions or loans that we, as an offshore entity, make to our PRC subsidiaries, are subject to PRC regulations. Any loans to our PRC subsidiaries, which are foreign-invested enterprises, cannot exceed statutory limits based on the difference between the amount of our investments and registered capital in such subsidiaries, and shall be registered with State Administration of Foreign Exchange, or SAFE, or its local counterparts. Furthermore, any capital increase contributions we make to our PRC subsidiaries, which are foreign-invested enterprises, are subject to the requirement of making necessary reports in Foreign Investment Comprehensive Management Information System, and registration with other government authorities in China. We may not be able to obtain these government registrations or approvals on a timely basis, if at all. If we fail to obtain such approvals or make such registration, our ability to make equity contributions or provide loans to our PRC subsidiaries or to fund their operations may be negatively affected, which may adversely affect their liquidity and ability to fund their working capital and expansion projects and meet their obligations and commitments. As a result, our liquidity and our ability to fund and expand our business may be negatively affected.

We may rely on dividends paid by our subsidiaries for our cash needs, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct business.

As a holding company, we conduct a substantial amount of our business through our subsidiaries in China. We may rely on dividends paid by these PRC subsidiaries for our cash needs, including the funds necessary to pay any dividends and other cash distributions to our shareholders, to service any debt we may incur and to pay our operating expenses. The payment of dividends by entities established in China is subject to limitations. Regulations in China currently permit payment of dividends only out of accumulated profits as determined in accordance with accounting standards and regulations in China. In accordance with the Article 210, 214 of the Company Law of the PRC (Revised in 2023), each of our PRC subsidiaries is required to allocate 10% of their profits to their statutory common reserve when they distribute their after-tax profits for the current year. A company shall no longer be required to make allocations to their statutory common reserve once the aggregate amount of such reserve exceeds 50% of their registered capital. The statutory common reserve fund of a company may only be used to cover the losses of the company, expand the business and production of the company or be converted into additional capital. As a result, our PRC subsidiaries are restricted in their ability to transfer a portion of their net assets to us in the form of dividends. In addition, if any of our PRC subsidiaries incurs debt on its own behalf in the future, the instruments governing the debt may restrict such subsidiary's ability to pay dividends or make other distributions to us. Any limitations on the ability of our PRC subsidiaries to transfer funds to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends and otherwise fund and conduct our business.

You may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Class A ordinary shares.

Under the PRC EIT Law, subject to any applicable tax treaty or similar arrangement between the PRC and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10.0% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in China, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10.0% PRC income tax if such gain is regarded as income derived from sources within China unless a treaty or similar arrangement otherwise provides. Under the Individual Income Tax Law of the PRC and its implementation rules, dividends from sources within China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws.

There is a risk that we will be treated by the PRC tax authorities as a PRC tax resident enterprise. In that case, any dividends we pay to our shareholders may be regarded as income derived from sources within China and we may be required to withhold a 10.0% PRC withholding tax for the dividends we pay to our investors who are non-PRC corporate shareholders, or a 20.0% withholding tax for the dividends we pay to our investors who are non-PRC individual shareholders, including the holders of our Shares. In addition, our non-PRC shareholders may be subject to PRC tax on gains realized on the sale or other disposition of our Class A ordinary shares, if such income is treated as sourced from within China. It is unclear whether our non-PRC shareholders would be able to claim the benefits of any tax treaties between their tax residence and China in the event that we are considered as a PRC resident enterprise. If PRC income tax is imposed on gains realized through the transfer of our Class A ordinary shares or on dividends paid to our non-resident investors, should there be a determination in the future to pay dividends, the value of your investment in our Class A ordinary shares may be materially and adversely affected. Furthermore, our shareholders whose jurisdictions of residence have tax treaties or arrangements with China may not qualify for benefits under such tax treaties or arrangements.

Fluctuations in exchange rates could have a material adverse impact on our results of operations and the value of your investment.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions in China and by China's foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against the U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar in the future.

Significant fluctuation of the Renminbi may have a material adverse effect on your investment. For example, to the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we would receive from the conversion. Conversely, if we decide to convert our Renminbi into U.S. dollars for the purpose of making payments for dividends on our Class A ordinary shares or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amount available to us.

Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. As of the date of this Report, we have not entered into any material hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency.

Governmental control of currency conversion may limit our ability to utilize our revenues effectively and affect the value of your investment.

The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. We receive a significant portion of our revenues in Renminbi. Under our current corporate structure, our British Virgin Islands holding company may rely on dividend payments from our PRC subsidiaries to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval of SAFE, by complying with certain procedural requirements. Specifically, under the existing exchange restrictions, without prior approval of SAFE, cash generated from the operations of our PRC subsidiaries in China may be used to pay dividends to our Company. However, approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. As a result, we need to obtain SAFE approval to use cash generated from the operations of our PRC subsidiaries to pay off their respective debt in a currency other than Renminbi owed to entities outside China, or to make other capital expenditure payments outside China in a currency other than Renminbi. If such approval is withheld or the PRC government imposes other restrictions on the convertibility of Renminbi into foreign currencies, we may not be able to utilize our revenues effectively, and as a result, our business and results of operations may be materially adversely affected, and the value of our Class A ordinary shares may decrease.

U.S. regulatory bodies may be limited in their ability to conduct investigations or inspections of our operations in China.

The SEC, the U.S. Department of Justice and other U.S. authorities may also have difficulties in bringing and enforcing actions against us or our directors or executive officers in the PRC. The SEC has stated that there are significant legal and other obstacles to obtaining information needed for investigations or litigation in China. China has recently adopted a revised securities law that became effective on March 1, 2020, Article 177 of which provides, among other things, that no overseas securities regulator is allowed to directly conduct an investigation or evidence collection activities within the territory of the PRC. Accordingly, without governmental approval in China, no entity or individual in China may provide documents and information relating to securities business activities to overseas regulators when it is under direct investigation or evidence discovery conducted by overseas regulators, which could present significant legal and other obstacles to obtaining information needed for investigations and litigation conducted outside of China.

Our Class A ordinary shares may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditors. The delisting and the cessation of trading of our Class A ordinary shares, or the threat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections.

Pursuant to the Holding Foreign Companies Accountable Act, as amended by the Consolidated Appropriations Act 2023, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our Class A ordinary shares from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

Our auditor, Enrome LLP, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards and was not identified in PCAOB's determination report as a firm subject to the PCAOB's determination. Enrome LLP is headquartered in Singapore and subject to inspect by the PCAOB.

If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In

accordance with the Holding Foreign Companies Accountable Act, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. A prohibition of being able to trade in the United States would substantially impair or completely hinder your ability to sell or purchase our Class A ordinary shares when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our Class A ordinary shares or render them worthless. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

Additionally, we cannot assure you whether the national securities exchange we are listed on or regulatory authorities would apply additional and more stringent criteria to us after considering the effectiveness of our auditor's audit procedures and quality control procedures, adequacy of personnel and training, or sufficiency of resources, geographic reach, or experience as it relates to our audit.

Risks Related to Our Class A Ordinary Shares

Nasdaq has recently adopted and proposed new listing rules that could result in the accelerated delisting of our Class A ordinary shares.

Nasdaq has recently adopted and proposed several new continued listing requirements that could subject our Class A ordinary shares to accelerated suspension and delisting proceedings, with limited or no opportunity to cure noncompliance.

Amended Minimum Bid Price Rule (Effective January 19, 2026). Nasdaq amended its minimum bid price rules, effective January 19, 2026, such that if a listed security's closing bid price falls below $0.10 for ten consecutive trading days, Nasdaq will immediately issue a Staff Delisting Determination under Rule 5810 and the company will be ineligible for any compliance period that would otherwise be available. Prior to this amendment, an immediate delisting determination could only be issued after a company's security had already been non-compliant with the $1.00 minimum bid price requirement for 30 consecutive trading days. Nasdaq adopted this change on the basis that a rapid decline in a security's price to below $0.10 is indicative of deep financial or operational distress that is unlikely to be temporary.

Proposed Minimum Market Value Requirement (SR-NASDAQ-2026-004, Pending SEC Approval). Nasdaq has proposed a new rule that would require listed companies on the Nasdaq Global Market and Nasdaq Capital Market to maintain a minimum Market Value of Listed Securities of at least $5 million. Failure to satisfy this requirement for 30 consecutive business days would result in immediate suspension and delisting without a standard compliance period. Under the proposed rule, any automatic stay of suspension during an appeal would be eliminated, meaning our securities would likely trade over-the-counter while any appeal is pending.

Proposed Discretionary Delisting Authority (SR-NASDAQ-2026-009, Pending SEC Approval). Nasdaq has also proposed granting itself discretionary authority to immediately delist securities if the SEC has suspended trading due to potential third-party misconduct.

If our Class A ordinary shares are delisted from Nasdaq for any reason, it could materially and adversely affect our business, financial condition, and results of operations. Delisting would likely cause the trading volume and liquidity of our Class A ordinary shares to decline significantly, as many institutional investors are prohibited by their investment mandates from holding securities that are not listed on a national securities exchange. Our Class A ordinary shares would likely be traded on the over-the-counter markets, where investors may find it more difficult to obtain timely and accurate information about our company and where the trading market may be significantly less liquid than Nasdaq. The reduction in liquidity could cause the trading price of our Class A ordinary shares to decline materially. In addition, delisting could impair our ability to raise capital through the issuance of equity or equity-linked securities, as investors and underwriters may be unwilling to participate in offerings of securities that are not listed on a national securities exchange. Delisting could also trigger defaults or acceleration provisions under any existing or future debt instruments or agreements, and could impair our ability to attract and retain employees, customers, and business partners who may view a Nasdaq listing as an indicator of our financial stability and credibility. Furthermore, the delisting of our Class A ordinary shares could result in negative publicity and erode investor confidence in our company, which could have a long-term adverse impact on our business prospects and the value of your investment.

Our dual-class share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A ordinary shares may view as beneficial.

Under our dual-class share structure, our ordinary shares consist of Class A ordinary shares and Class B ordinary shares. In respect of matters requiring the votes of shareholders, holders of Class B ordinary shares are entitled to 25 votes per share, while holders of Class A ordinary shares are entitled to one vote per share based on our dual-class share structure. Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof, while Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any sale, transfer, assignment, or disposition of any Class B ordinary shares by a holder thereof to a transferee who is not an affiliate of the transferor, such Class B ordinary shares are automatically and immediately converted into an equal number of Class A ordinary shares.

As of the date of this Report, Mr. Peter Zuguang Wang, the Chairman of our Board of Directors, beneficially owns all of our issued and outstanding Class B ordinary shares. These Class B ordinary shares constitute approximately 24.00% of our total issued and outstanding ordinary shares and 88.76% of the aggregate voting power of our total issued and outstanding ordinary shares, due to the disparate voting powers associated with our dual-class share structure. As a result of the dual-class share structure and the concentration of ownership, the holder of Class B ordinary shares will have considerable influence over matters such as decisions regarding mergers, consolidations, and the sale of all or substantially all of our assets, election of directors, and other significant corporate actions. The holder may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay, or prevent a change in control of our Company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our Company and may reduce the price of the Class A ordinary shares. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover, or other change of control transactions that holders of Class A ordinary shares may view as beneficial.

The dual-class structure of our ordinary shares may adversely affect the trading market for the Class A ordinary shares.

S&P Dow Jones and FTSE Russell have announced changes to their eligibility criteria for inclusion of shares of public companies in certain indices, including the S&P 500, to exclude companies with multiple classes of shares and companies whose public shareholders hold no more than 5% of total voting power from being added to such indices. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class capital structures. As a result, the dual class structure of our ordinary shares may prevent the inclusion of the Class A ordinary shares in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for the Class A ordinary shares. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of the Class A ordinary shares.

Future sales of our Class A ordinary shares, whether by us or our shareholders, could cause the price of our Class A ordinary shares to decline.

If our existing shareholders sell, or indicate an intent to sell, substantial amounts of our Class A ordinary shares in the public market, the trading price of our Class A ordinary shares could decline significantly. Similarly, the perception in the public market that our shareholders might sell our Class A ordinary shares could also depress the market price of our shares. A decline in the price of our Class A ordinary shares might impede our ability to raise capital through the issuance of additional Class A ordinary shares or other equity securities. In addition, the issuance and sale by us of additional Class A ordinary shares, or securities convertible into or exercisable for our Class A ordinary shares, or the perception that we will issue such securities, could reduce the trading price for our Class A ordinary shares as well as make future sales of equity securities by us less attractive or not feasible. The sale of Class A ordinary shares issued upon the exercise of our outstanding warrants could further dilute the holdings of our then existing shareholders.

We do not know whether a market for the Class A ordinary shares will be sustained or what the trading price of the Class A ordinary shares will be and as a result it may be difficult for you to sell your Class A ordinary shares.

Although our Class A ordinary shares trade on Nasdaq, an active trading market for the Class A ordinary shares may not be sustained. It may be difficult for you to sell your Class A ordinary shares without depressing the market price for the Class A ordinary shares. As a result of these and other factors, you may not be able to sell your Class A ordinary shares. Further, an inactive market may also impair our ability to raise capital by selling Class A ordinary shares, or may impair our ability to enter into strategic partnerships or acquire companies or products by using our Class A ordinary shares as consideration.

Securities analysts may not cover our Class A ordinary shares and this may have a negative impact on the market price of our Class A ordinary shares.

The trading market for our Class A ordinary shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over independent analysts (provided that we have engaged various non-independent analysts). We do not currently have and may never obtain research coverage by independent securities and industry analysts. If no independent securities or industry analysts commence coverage of us, the trading price for our Class A ordinary shares would be negatively impacted. If we obtain independent securities or industry analyst coverage and if one or more of the analysts who covers us downgrades our Class A ordinary shares, changes their opinion of our shares or publishes inaccurate or unfavorable research about our business, the price of our Class A ordinary shares would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our Class A ordinary shares could decrease and we could lose visibility in the financial markets, which could cause the price and trading volume of our Class A ordinary shares to decline.

Because we do not expect to pay dividends in the foreseeable future, you must rely on the price appreciation of our Class A ordinary shares for a return on your investment.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in our Class A ordinary shares as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of British Virgin Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of directors. Under British Virgin Islands law, a British Virgin Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions, and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our Class A ordinary shares will likely depend entirely upon any future price appreciation of our Class A ordinary shares. There is no guarantee that our Class A ordinary shares will appreciate in value or even maintain the price at which you purchased the Class A ordinary shares. You may not realize a return on your investment in our Class A ordinary shares and you may even lose your entire investment in our Class A ordinary shares.

Techniques employed by short sellers may drive down the market price of our Class A ordinary shares.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller's interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Other public companies listed in the United States that have substantial operations in China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

We may in the future be the subject of unfavorable allegations made by short sellers. Any such allegations may be followed by periods of instability in the market price of our Class A ordinary shares and negative publicity. If and when we become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we could be required to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short seller by principles of freedom of speech, applicable federal or state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations and shareholder's equity, and the value of any investment in our Class A ordinary shares could be greatly reduced or rendered worthless.

Our Class A ordinary shares may experience extreme price and volume fluctuations, which could lead to costly litigation for us and make an investment in us less appealing.

The market price of our Class A ordinary shares may fluctuate substantially due to a variety of factors, including:

- our business strategy and plans;
- new regulatory pronouncements and changes in regulatory guidelines and timing of regulatory approvals;
- general and industry-specific economic conditions;
- variations in our quarterly financial and operating results, including the rate at which we incur negative cash flow in future periods;
- changes in market valuations of other companies that operate in our business segments or in our industry;
- lack of trading liquidity;
- changes in accounting principles; and
- general market conditions, economic and other external factors.

In addition, the stock market in general, and the market for shares of PRC-based issuers in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of individual companies. These broad market and industry fluctuations, as well as general economic, political, regulatory and market conditions, such as recessions, interest rate changes, inflation, public health crises, geopolitical instability or disruptions in global supply chains, could cause the market price of our Class A ordinary shares to decline materially, regardless of our actual operating performance or prospects. As a result, investors in our Class A ordinary shares may experience a significant decrease in the value of their investment and may be unable to resell their shares at or above the price paid.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

We have processes for assessing, identifying and managing cybersecurity risks, which are an integral part of decision-making at every level. Such processes include physical, procedural and technical safeguards, response plans, and routine review of our policies and procedures to identify risks and refine our practices. We have integrated cybersecurity risk management into our broader enterprise risk management framework to promote a company-wide culture of cybersecurity risk awareness and management.

We do not believe that any risks from cybersecurity threats, nor any previous cybersecurity incidents, have materially affected us. However, the sophistication of cyber threats continues to increase, and the preventative actions that we have taken and continues to take to reduce the risk of cyber incidents and protect its systems and information may not successfully protect against all cyber incidents. For more information on how cybersecurity risk may materially affect our business strategy, results of operations, or financial condition, please refer to Item 1A Risk Factors.

Cybersecurity Governance

The Audit Committee of our Board of Directors is responsible for overseeing cybersecurity risk and periodically updates our Board of Directors on such matters. The Audit Committee regularly reviews and discusses with management the strategies, processes, procedures and controls pertaining to the management of our information technology operations, including cyber risks and cybersecurity. The Audit Committee regularly reviews with management the strategies and continuously analyzes cybersecurity and resiliency risks to our business, considers industry trends and implements controls, as appropriate, to mitigate these risks.

ITEM 2. PROPERTIES

The address of our principal executive offices and corporate offices is 50 Millstone Road, Building 400, Suite 130, East Windsor, NJ 08512.

Our office in China is located at 11-F, Building #12, Sunking Plaza, Gaojiao Road, Hangzhou, Zhejiang Province, China, 311122. Our manufacturing and R&D facilities are all located in Xinchang County, Zhejiang Province, China.

Properties Owned by us

As of December 31, 2025, Greenland held land use rights of four parcels of land with an aggregate site area of approximately 81,171 square meters, located in Xinchang County, Zhejiang Province, PRC. The terms of these land use rights are due to expire on November 14, 2062.

As of December 31, 2025, Greenland held three building ownership certificates for three buildings with an aggregate gross floor area of approximately 44,751 square meters. These properties are primarily used for production and office purposes.

Property Leased by us

As of December 31, 2025, Greenland leased an office space with an aggregate floor area of approximately 1,440 square feet in New Jersey and a monthly rent of $2,910.

The Company believes that the properties we currently own and lease for our business operations are adequate to meet our needs for the foreseeable future.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are not party to, and our property is not the subject of, any material legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information for Class A Ordinary Shares

Our Class A ordinary shares are traded on the Nasdaq Capital Market under the symbol "GTEC." Our ordinary shares were publicly traded on the Nasdaq Capital Market from August 8, 2018 through February 23, 2026, and our Class A ordinary shares have been publicly traded on the Nasdaq Capital Market since February 24, 2026.

The market price of our Class A ordinary shares is subject to significant fluctuations in response to variations in our quarterly operating results, general trends in the market, and other factors, over many of which we have little or no control. In addition, broad market fluctuations, as well as general economic, business, and political conditions, may adversely affect the market for our Class A ordinary shares, regardless of our actual or projected performance. We cannot assure you that there will be a market for our Class A ordinary shares in the future.

As of March 19, 2026, the last sale price reported on the Nasdaq Capital Market for our Class A ordinary shares was approximately $0.709 per share.

Dividend Policy

We intend to retain all of our available funds and any future earnings to fund the development and growth of our subsidiaries' business. As such, we do not expect to pay any cash dividends in the foreseeable future.

Shareholders of Record

As of March 20, 2026, we had ten (10) record holders of our Class A ordinary shares. This number excludes any estimate by us of the number of beneficial owners of shares held in street name, the accuracy of which cannot be guaranteed.

Transfer Agent

The transfer agent for our Class A ordinary shares and Class B ordinary shares is Continental Stock Transfer & Trust Company, located at 1 State Street 30th Floor, New York, NY 10004-1561. The telephone number of Continental Stock Transfer & Trust Company is (212) 509-4000.

Equity Compensation Plan Information

For information on the securities authorized for issuance under our equity compensation plan, please see "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters."

Recent Sales of Unregistered Securities

During the fiscal years ended December 31, 2025 and 2024, we did not have sales of unregistered securities other than those already disclosed in the quarterly reports on Form 10-Q and the current reports on Form 8-K.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF GREENLAND TECHNOLOGIES HOLDING CORPORATION

The following discussion and analysis of financial condition and results of operations relates to the operations and financial condition reported in the consolidated financial statements of the Company thereto, which appear elsewhere in this Report, and should be read in conjunction with such financial statements and related notes included

in this Report. Except for the historical information contained herein, the following discussion, as well as other information in this Report, contain "forward-looking statements," within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act, and are subject to the "safe harbor" created by those sections. Actual results and the timing of the events may differ materially from those contained in these forward-looking statements due to many factors, including those discussed in the "Cautionary Note Regarding Forward-Looking Statements" set forth elsewhere in this Report.

Overview

Greenland designs, develops, manufactures and sells components and products for the global material handling industries.

Through its subsidiaries in the PRC, Greenland offers transmission products, which are key components for forklift trucks used in manufacturing and logistic applications, such as factories, workshops, warehouses, fulfilment centers, shipyards, and seaports. Forklifts play an important role in the logistic systems of many companies across different industries in China and globally. Generally, industries with the largest demand for forklifts include the transportation, warehousing logistics, electrical machinery, and automobile industries. Greenland's revenue increased from approximately $83.94 million for the fiscal year ended December 31, 2024 to $90.69 million for the fiscal year ended December 31, 2025. The increase in revenue was primarily the result of an increase of approximately $8.07 million in the Company's sales volume of transmission products for the fiscal year ended December 31, 2025. Based on its revenues for the fiscal years ended December 31, 2025 and 2024, Greenland believes that it is one of the major developers and manufacturers of transmission products for small and medium-sized forklift trucks in China.

Greenland's transmission products are used in 1-ton to 15-tons forklift trucks, some with mechanical shift and some with automatic shift. Greenland sells these transmission products directly to forklift-truck manufacturers. In the fiscal years ended December 31, 2025 and 2024, Greenland sold an aggregate of 166,317 and 149,597 sets of transmission products, respectively, to more than 100 forklift manufacturers in the PRC.

In January 2020, Greenland formed HEVI to focus on the production and sale of electric industrial vehicles to meet the increasing demand for electric industrial vehicles and machinery powered by sustainable energy to reduce air pollution and lower carbon emissions. HEVI is a wholly owned subsidiary of Greenland incorporated under the laws of the State of Delaware. Prior to 2025, HEVI had been manufacturing and selling electric industrial vehicle products. However, substantially all of HEVI's business operations have been suspended since 2025 due to uncertainty regarding tariff policy. HEVI intends to resume operations once the policy environment stabilizes. HEVI's electric industrial vehicle products (which it are not currently being offered as a result of the suspension of its operations) include GEF-series electric forklifts, a series of lithium powered forklifts with three models ranging in size from 1.8 tons to 3.5 tons, GEL-1800, a 1.8-ton rated load lithium powered electric wheeled front loader, GEX-8000, an all-electric 8.0 ton rated load lithium powered wheeled excavator, and GEL-5000, an all-electric 5.0 ton rated load lithium wheeled front loader. In addition, in April 2023, HEVI introduced a line of mobile DC battery chargers that support DC powered EV applications in the North America market. In July 2024, HEVI announced a partnership with Lonking Holdings Limited to develop and distribute heavy electric machinery and related technology specialized for the U.S. market. In August 2024, HEVI launched its H55L all-electric wheeled front-end loader, which can lift up to six tons in indoor and outdoor applications without the mess and emissions of diesel, and the H65L all-electric wheeled front-end loader, a lithium battery wheeled front-end loader.

Greenland is the parent company of HEVI and Greenland Holding Enterprises Inc. ("Greenland Holding"), a holding company formed in the State of Delaware on August 28, 2023, which in turn acts as the holding company for Zhongchai Holding (Hong Kong) Limited, a holding company formed under the laws of Hong Kong on April 23, 2009 ("Zhongchai Holding"). Zhongchai Holding's subsidiaries include Zhejiang Zhongchai Machinery Co. Ltd., an operating company formed under the laws of the PRC in 2005, Hangzhou Greenland Energy Technologies Co., Ltd. ("Hangzhou Greenland"), an operating company formed under the laws of the PRC in 2019, and Hengyu Capital Limited, a company formed in Hong Kong on August 16, 2022 ("Hengyu Capital"). Through Zhongchai Holding and its subsidiaries, Greenland develops and manufactures traditional transmission products for material handling machinery in the PRC.

Greenland was incorporated on December 28, 2017 as a British Virgin Islands business company with limited liability. Following the Business Combination (as described and defined below) in October 2019, the Company changed its name from Greenland Acquisition Corporation to Greenland Technologies Holding Corporation.

Results of Operations

For the fiscal years ended December 31, 2025 and 2024

Overview

	For the Fiscal Years Ended December 31,			
	2025	2024	$ Change	% Variance
Revenues	$ 90,694,007	$ 83,944,661	$ 6,749,346	8.0
Cost of Goods Sold	62,248,455	61,411,693	836,762	1.4
Gross Profit	**28,445,552**	**22,532,968**	**5,912,584**	**26.2**
Selling expenses	1,735,358	2,148,659	(413,301)	(19.2)
General and administrative expenses	15,267,842	4,853,768	10,414,074	214.6
Research and development expenses	3,920,274	2,936,399	983,875	33.5
Total Operating Expenses	**20,923,474**	**9,938,826**	**10,984,648**	**110.5**
Income from operations	7,522,078	12,594,142	(5,072,064)	(40.3)
Interest income	677,386	864,390	(187,004)	(21.6)
Interest expenses	(111,663)	(84,243)	(27,420)	32.5
Loss (gain) on disposal of property and equipment	(3,999)	5,863	(9,862)	(168.2)
Change in fair value of the warrant liability	2,267,313	1,746,382	520,931	29.8
Government subsidies income	812,873	881,175	(68,302)	(7.8)
Other income	946,097	659,204	286,893	43.5
Income before income tax	**12,110,085**	**16,666,913**	**(4,556,828)**	**(27.3)**
Income tax	3,511,822	1,512,758	1,999,064	132.1
Net income	**$ 8,598,263**	**$ 15,154,155**	**$ (6,555,892)**	**(43.3)**

Components of Results of Operations

	For the Fiscal Years ended December 31,	
Component of Results of Operations	**2025**	**2024**
Revenues	$ 90,694,007	$ 83,944,661
Cost of Goods Sold	62,248,455	61,411,693
Gross Profit	**28,445,552**	**22,532,968**
Operating Expenses	20,923,474	9,938,826
Net Income	**$ 8,598,263**	**$ 15,154,155**

Revenue

Greenland's revenue increased by approximately $6.75 million, or approximately 8.0%, to approximately $90.69 million for the fiscal year ended December 31, 2025, from approximately $83.94 million for the fiscal year ended December 31, 2024. However, excluding the impact of exchange rate fluctuation, our revenue for the fiscal year ended December 31, 2025 increased by approximately 8.9% compared to the fiscal year ended December 31, 2024. The increase in revenue was primarily a result of the increase of approximately $8.07 million in the Company's sales volume of transmission products for the year ended December 31, 2025. For the fiscal year ended December 31, 2025, the Company sold an aggregate of 166,317 sets of transmission products, compared to 149,597 sets sold in the fiscal year ended December 31, 2024. This represents an increase of approximately 16,720 units, or approximately 11.2%. The sales volume growth was driven by sustained demand from the Company's customer base in the material handling sector.

Cost of Goods Sold

Greenland's cost of goods sold consists primarily of material costs, freight charges, purchasing and receiving costs, inspection costs, warehousing costs, internal transfer costs, wages, employee compensation, amortization, depreciation and related costs, which are directly attributable to Greenland's production activities. The write down of inventory using net realizable value impairment test is also recorded in cost of goods sold. The total cost of goods sold increased by approximately $0.84 million, or approximately 1.4%, to approximately $62.25 million for the fiscal year ended December 31, 2025, from approximately $61.41 million for the fiscal year ended December 31, 2024. Cost of goods sold increased in fiscal year 2025 compared to fiscal year 2024 due to the increase in our sales volume.

Gross Profit

Greenland's gross profit increased by approximately $5.91 million, or 26.2%, to approximately $28.45 million for the fiscal year ended December 31, 2025, from approximately $22.53 million for the fiscal year ended December 31, 2024. For the fiscal years ended December 31, 2025 and 2024, Greenland's gross margin was approximately 31.4% and 26.8%, respectively. The increase in gross profit in fiscal year 2025 compared to fiscal year 2024 was primarily due to the increase in our sales volume.

Operating Expense

Greenland's operating expenses consist of selling expenses, general and administrative expenses and research and development expenses. Greenland's operating expenses were $20.92 million for the fiscal year ended December 31, 2025, representing an increase of 110.5% from $9.94 million for the fiscal year ended December 31, 2024. The increase in operating expenses was primarily due to an increase in the stock-based compensation expense, research and development expenses and provision for inventory in fiscal year 2025 compared to fiscal year 2024.

Selling Expenses

Greenland's selling expenses mainly include operating expenses such as sales staff payroll, traveling expenses and transportation expenses. Selling expenses decreased by $0.41 million, or 19.2%, to approximately $1.74 million for the fiscal year ended December 31, 2025, from approximately $2.15 million for the fiscal year ended December 31, 2024. The decrease in selling expenses was mainly due to a decrease in the after-sales service fees for the year ended December 31, 2025 compared to the year ended December 31, 2024.

General and Administrative Expenses

Greenland's general and administrative expenses include management and office staff salaries and employee benefits, depreciation for office facility and office furniture and equipment, travel and entertainment, legal and accounting, consulting fees and other office expenses. General and administrative expenses increased by approximately $10.41 million, or approximately 214.6%, to approximately $15.27 million for the fiscal year ended December 31, 2025, from approximately $4.85 million for the fiscal year ended December 31, 2024. The increase in general and administrative expenses was mainly due to the increase in stock-based compensation expense, uncollectible accounts written off and provision for inventory for the year ended December 31, 2025, as compared to the year ended December 31, 2024. On April 17, 2025, we issued a total of 3,799,696 ordinary shares and recorded stock-based compensation of approximately $5.55 million.

Research and Development Expenses

R&D expenses consist of R&D personnel compensation, costs of materials used in R&D projects, and depreciation costs for research-related equipment. R&D expenses increased by approximately $0.98 million, or 33.5%, to approximately $3.92 million for the fiscal year ended December 31, 2025, from approximately $2.94 million for the fiscal year ended December 31, 2024. Such increase was primarily attributable to a significant increase in the Company's R&D activities for the fiscal year ended December 31, 2025.

Income from Operations

As a result of the foregoing, income from operations for the fiscal year ended December 31, 2025 was approximately $7.52 million, representing a decrease of approximately $5.07 million, from approximately $12.59 million for the fiscal year ended December 31, 2024.

Interest Income and Interest Expenses

Greenland's interest income was approximately $0.68 million for the fiscal year ended December 31, 2025, representing a decrease of approximately $0.19 million, or 21.6%, from approximately $0.86 million for the fiscal year ended December 31, 2024. The decrease in interest income was because less cash was deposited in banks during the fiscal year ended December 31, 2025 as compared to the fiscal year ended December 31, 2024.

Greenland's interest expenses were approximately $0.11 million for the fiscal year ended December 31, 2025, an increase of approximately $0.03 million, or 32.5%, as compared to approximately $0.08 million for the fiscal year ended December 31, 2024. The increase was primarily due to an increase in interest expense on the discounted note for the year ended December 31, 2025, as compared to the year ended December 31, 2024.

Change in fair value of the warrant liability

Greenland recognized a gain of approximately $2.27 million for the investor warrant from a change in fair value of the warrant liability for the fiscal year ended December 31, 2025, as compared to a gain of approximately $1.75 million for the investor warrant, from a change in fair value of the warrant liability for the fiscal year ended December 31, 2024.

Government subsidies income

Greenland's government subsidies income was approximately $0.81 million for the fiscal year ended December 31, 2025, a decrease of approximately $0.07 million, as compared to approximately $0.88 million of government subsidies income for the fiscal year ended December 31, 2024. The decrease was primarily due to a decrease in policy incentive income for the fiscal year ended December 31, 2025 as compared to the fiscal year ended December 31, 2024.

Other Income

Greenland's other income was approximately $0.95 million for the fiscal year ended December 31, 2025, an increase of approximately $0.29 million, as compared to approximately $0.66 million of other income for the fiscal year ended December 31, 2024. The increase was primarily due to an increase in gain on forfeiture of customer advance for the fiscal year ended December 31, 2025 as compared to the fiscal year ended December 31, 2024.

Income Taxes

Greenland's income tax was approximately $3.51 million for the fiscal year ended December 31, 2025, compared to approximately $1.51 million for the fiscal year ended December 31, 2024.

Zhejiang Zhongchai obtained a "high-tech enterprise" status near the end of the fiscal year of 2022. Such status allows Zhejiang Zhongchai to enjoy a reduced statutory income tax rate of 15%, rather than the standard PRC corporate income tax rate of 25%. Income tax for both fiscal years 2025 and 2024 were calculated based on a rate of 15%. The "high-tech enterprise" status is reevaluated by relevant Chinese government agencies every three years. Zhejiang Zhongchai's current "high-tech enterprise" will be reevaluated near the end of 2028.

Greenland's other PRC subsidiaries are subject to different income tax rates. Hangzhou Greenland, the wholly owned subsidiary of Zhongchai Holding, is subject to the 25% standard income tax rate. Greenland is a holding company registered in the British Virgin Islands and is not subject to tax on income or capital gains under the current British Virgin Islands law. In addition, upon payment of dividends to its shareholders, the Company will not be subject to any British Virgin Islands withholding tax.

On January 14, 2020, Greenland established HEVI, its wholly owned subsidiary in the state of Delaware. HEVI promotes sales of sustainable alternative products for the heavy industrial equipment industry, including electric industrial vehicles, in the North American market. On December 22, 2017, the U.S. federal government enacted the

2017 Tax Act. The 2017 Tax Act includes a number of changes in existing tax law impacting businesses, including the transition tax, a one-time deemed repatriation of cumulative undistributed foreign earnings and a permanent reduction in the U.S. federal statutory rate from 35% to 21%, effective on January 1, 2018. ASC 740 requires companies to recognize the effect of tax law changes in the period of enactment, and accordingly, the effects must be recognized on companies' calendar year-end financial statements, even though the effective date for most provisions is January 1, 2018. Since HEVI was established in 2020, the one-time transition tax did not have any impact on the Company's tax provision and there was no undistributed accumulated earnings and profits as of December 31, 2025.

On March 26, 2024, the Company entered into a share exchange agreement with Greenland Holding Enterprises Inc. and Zhongchai Holding (the "2024 Share Exchange Agreement"). Pursuant to the 2024 Share Exchange Agreement, Greenland Holding Enterprises Inc. issued 100 shares of common stock to the Company, par value $0.01 per share, representing all issued and outstanding share capital of Greenland Holding Enterprises Inc., in exchange for 100% of the equity interest of Zhongchai Holding. Greenland Holding Enterprises Inc. is a holding company registered on August 28, 2023 in the State of Delaware with no material operations. Since Greenland Holding Enterprises Inc. was established in 2023, the one-time transition tax did not have any impact on the Company's tax provision and there was no undistributed accumulated earnings and profits as of December 31, 2025.

Net Income

As a result of the foregoing, Greenland's net income was approximately $8.60 million for the fiscal year ended December 31, 2025, representing a decrease of approximately $6.56 million, from the net income of approximately $15.15 million for the fiscal year ended December 31, 2024.

Liquidity and Capital Resources

Greenland is a holding company incorporated in the British Virgin Islands. Current PRC regulations permit our PRC subsidiaries to pay dividends to us only out of their accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, our PRC subsidiaries are required to set aside at least 10% of their respective accumulated profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of their respective registered capital. Our PRC subsidiaries may also allocate a portion of their after-tax profits based on PRC accounting standards to employee welfare and bonus funds at their discretion. These reserves are not distributable as cash dividends.

We have funded working capital and other capital requirements primarily by equity contributions, cash flow from operations, short-term bank loans and bank acceptance notes, and long-term bank loans. Cash is required primarily to purchase raw materials, repay debts and pay salaries, office expenses, income taxes and other operating expenses.

For the fiscal year ended December 31, 2025, a PRC subsidiary of ours, Zhejiang Zhongchai, paid off approximately $6.41 million of loans from related parties and maintained $39.69 million cash on hand. We plan to maintain the current debt structure and rely on governmentally supported loans with lower cost, if necessary.

Government subsidies mainly consist of an incentive granted by the Chinese government to encourage transformation of fixed assets in China and other miscellaneous subsidies from the Chinese government. Government subsidies are recognized when there is reasonable assurance that the subsidy will be received, and all conditions be completed. Total government subsidies recorded under long-term liabilities were $1.08 million and $1.26 million as of December 31, 2025 and 2024, respectively.

The Company currently plans to fund its operations mainly through cash flow from its operations, renewal of bank borrowings, additional equity financing, and continuation of financial support from its shareholders and affiliates controlled by its principal shareholders, if necessary. The Company might implement a stricter policy on sales to less creditworthy customers and plans to continue to improve its collection efforts on accounts with outstanding balances. The Company is actively working with customers and suppliers and expects to fully collect the remaining balance.

We believe that the Company has sufficient cash, even with uncertainty in the Company's manufacturing and sale of electric industrial heavy equipment in the future and decline on sale of transmission products. However, our existing funding sources will be sufficient to fund our operations for the next 12 months. We remain confident and expect to continue to generate positive cash flow from our operations.

We may need additional cash resources in the future, if the Company experiences failure in collecting account receivables, changes in business condition, changes in financial condition, or other developments. We may also need additional cash resources, if the Company wishes to pursue opportunities for investment, acquisition, strategic cooperation, or other similar actions. If the Company's management and its board of directors determine that the cash required for specific corporate activities exceed Greenland's cash and cash equivalents on hand, the Company may issue debt or equity securities to raise cash.

Historically, we have expended considerable resources on building a new factory and paid off a considerable amount of debt, resulting in less available cash. However, we anticipate that our cash flow will continue to improve for the remainder of fiscal year 2026. More specifically, Zhejiang Zhongchai can pledge the deed of its factory as a collateral to banks in order to obtain loans, refinance expiring loans, restructure short-term loans, and fund other working capital needs upon acceptable terms to Greenland.

Cash and Cash Equivalents

Cash equivalents refers to all highly liquid investments purchased with original maturity of three months or less. As of December 31, 2025, Greenland had approximately $7.78 million of cash and cash equivalents, an increase of approximately $1.12 million, as compared to approximately $6.66 million as of December 31, 2024. The increase of cash and cash equivalents was mainly due to an increase in our sales volume, as compared to that as of December 31, 2024.

Restricted Cash

Restricted cash represents the amount held by a bank as security for bank acceptance notes and therefore is not available for use until the bank acceptance notes are fulfilled or expired, which typically takes less than twelve months. As of December 31, 2025, Greenland had approximately $0.07 million of restricted cash, a decrease of approximately $1.88 million, as compared to approximately $1.95 million as of December 31, 2024. The decrease of restricted cash was due to a decrease in notes payable collateralized by cash.

Accounts Receivable

As of December 31, 2025, Greenland had approximately $17.26 million of accounts receivables, an increase of approximately $1.46 million, or 9.24%, as compared to approximately $15.80 million as of December 31, 2024. The increase in accounts receivables was due to the increase in our sales volume.

Greenland recorded approximately 0.02 million and nil of allowance for expected credit losses as of December 31, 2025 and 2024, respectively. Greenland conducted an aging analysis of each customer's delinquent payments to determine whether allowance for expected credit losses is adequate. In establishing the allowance for expected credit losses, Greenland considers historical experience, economic environment, and expected collectability of past due receivables. An estimate of expected credit losses is recorded when collection of the full amount is no longer probable. When bad debts are identified, such debts are written off against the allowance for expected credit losses. Greenland will continuously assess its expected credit losses based on the credit history of and relationships with its customers on a regular basis to determine whether its allowance for expected credit losses on its accounts receivables is adequate. Greenland believes that its collection policies are generally in line with the transmissions industry's standard in the PRC.

Due from Related Party

Due from related party was $1.11 million and $0.24 million as of December 31, 2025 and December 31, 2024, respectively. The balance of due from related parties as of December 31, 2025 and December 31, 2024 consisted primarily of the following: (i) other receivable from Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership) of $0.25 million and $0.24 million as of December 31, 2025 and December 31, 2024, respectively, representing a loan to the related party with an annual interest rate of 4.785%; (ii) other receivable from Cenntro Inc. was $0.84 million and nil as of December 31, 2025 and December 31, 2024, respectively, representing a loan with an annual interest rate of 7.5% that will mature before April 14, 2026; and (iii) other receivable from Cenntro Enterprise Limited was $0.02 million and nil as of December 31, 2025 and December 31, 2024, respectively, representing expenses paid on behalf of the related party.

Notes Receivable

As of December 31, 2025, Greenland had approximately $14.70 million of notes receivables, which we expect will be collected within twelve months from the date of receipt of such notes. The decrease was approximately $8.03 million, or 35.33%, as compared to approximately $22.74 million as of December 31, 2024.

Working Capital

Our working capital was approximately $46.97 million as of December 31, 2025, as compared to $35.11 million as of December 31, 2024. The increase in working capital of $11.86 million was primarily contributed to an increase in accounts receivable and short-term investment.

Cash Flow

	For the Fiscal Year Ended December 31,	
	2025	**2024**
Net cash provided by operating activities	**$ 15,608,957**	**$ 13,341,886**
Net cash used in investing activities	**$ (919,593)**	**$ (1,868,246)**
Net cash used in financing activities.	**$ (15,609,560)**	**$ (30,900,924)**
Net decrease in cash and cash equivalents and restricted cash	**$ (920,196)**	**$ (19,427,284)**
Effect of exchange rate changes on cash and cash equivalents.	$ 155,271	$ (150,308)
Cash and cash equivalents and restricted cash at beginning of year	$ 8,611,795	$ 28,189,387
Cash and cash equivalents and restricted cash at end of year	**$ 7,846,870**	**$ 8,611,795**

Operating Activities

Net cash provided by operating activities for the year ended December 31, 2025 was approximately $15.61 million, primarily attributable to net income of approximately $8.60 million, adjusted for non-cash item of depreciation and amortization expenses of approximately $2.41 million, stock-based compensation expense of approximately $5.55 million, change in fair value of warrant liability of approximately $(2.27) million and changes in operating assets and liabilities including: (i) an increase of approximately $1.45 million in accounts payable because we extended the payment cycle, (ii) a decrease of approximately $8.78 million in notes receivables because we prioritized collecting cash rather than accepting notes receivables, and (iii) an increase of approximately $9.34 million in other current and non-current assets because we deposited cash into short-term investment.

Net cash provided by operating activities for the year ended December 31, 2024 was approximately $13.34 million, primarily attributable to net income of approximately $15.15 million, adjusted for non-cash item of depreciation and amortization expenses of approximately $2.25 million, change in fair value of warrant liability of approximately $(1.75) million, change in accrued expense of approximately $2.14 million and changes in operating assets and liabilities including: (i) an increase of approximately $11.14 million in other current and non-current assets because we deposited cash into short-term investment, (ii) an increase of approximately $5.27 million in due to related parties, and (iii) a decrease of approximately $3.71 million in notes receivables because we prioritized collecting cash rather than accepting notes receivables.

Investing Activities

Investing activities resulted a cash outflow of approximately $0.92 million for the fiscal year ended December 31, 2025. Cash used in investing activities for the fiscal year ended December 31, 2025 was mainly due to approximately $0.53 million used for purchases of long-term assets and approximately $0.70 million in lend to third parties, offset by approximately $0.28 million in repayment of loans lent to third parties.

Investing activities resulted a cash outflow of approximately $1.87 million for the fiscal year ended December 31, 2024. Cash used in investing activities for the fiscal year ended December 31, 2024 was mainly due to approximately $1.96 million used for purchases of long-term assets and approximately $0.70 million in lend to third parties, offset by approximately $0.69 million in repayment of loans lent to third parties.

Financing Activities

Financing activities resulted a cash outflow of approximately $15.61 million for the fiscal year ended December 31, 2025, which was mainly attributable to approximately $7.25 million in notes payable and approximately $6.41 million in repayment of loans from related parties. Such amounts were further offset by approximately $0.27million in proceeds from related parties.

Financing activities resulted a cash outflow of approximately $30.90 million for the fiscal year ended December 31, 2024, which was mainly attributable to approximately $16.58 million in notes payable and approximately $8.56 million in repayment of short-term bank loans. Such amounts were further offset by approximately $5.56 million in proceeds from short-term bank loans.

Credit Risk

Assets that potentially subject the Company to significant concentration of credit risk primarily consist of cash and cash equivalents. The maximum exposure of such assets to credit risk is their carrying amount as at the balance sheet dates. As of December 31, 2025, cash and cash equivalents of $39,689,785 were deposited in financial institutions in the PRC, and each bank account is insured by the PRC government with the maximum limit of RMB500,000 (equivalent to $69,800). To limit exposure to credit risk relating to deposits, the Company primarily places cash and cash equivalent with large financial institutions in China which management believes are of high credit quality and the Company also continually monitors their credit worthiness.

A majority of the Company's operations are conducted in the PRC. Accordingly, the Company's business, financial condition and results of operations may be influenced by the political, economic and legal environments in the PRC as well as by the general state of the PRC's economy. In addition, the Company's business may be influenced by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, rates and methods of taxation among other factors.

Foreign currency risk

The Company cannot guarantee that the current exchange rate will remain steady. Therefore, there is a possibility that the Company could post the same amount of profit for two comparable periods and yet, because of the fluctuating exchange rate, record higher or lower profit depending on exchange rate of RMB converted to U.S. dollars on the relevant dates. The exchange rate could fluctuate depending on changes in the political and economic environment without notice.

Concentration risks

Accounts receivable are typically unsecured and derived from goods sold to customers that are located primarily in China, thereby exposed to credit risk. The risk is mitigated by the Company's assessment of customers' creditworthiness and its ongoing monitoring of outstanding balances. The Company has a concentration of its receivables with specific customers. As of December 31, 2025, three customers accounted for 11.24%, 10.24% and 10.12% of total accounts receivable, respectively. As of December 31, 2024, two customers accounted for 12.78% and 10.33% of total accounts receivable, respectively. No other customers accounted for more than 10% of the Company's total accounts receivable as of December 31, 2025 and 2024.

For the year ended December 31, 2025, two customers accounted for 15.07% and 10.05% of total revenue, respectively. For the year ended December 31, 2024, two customers accounted for 14.19% and 11.94% of total revenue, respectively. No other customers accounted for more than 10% of the Company's total revenue for the fiscal years ended December 31, 2025 and 2024.

There were no suppliers representing more than 10% of the Company's total purchases for the years ended December 31, 2025 and 2024, respectively.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP. In applying accounting principles, it is often required to use estimates. These estimates consider the facts, circumstances and information available, and may be based on subjective inputs, assumptions and information known and unknown to us. Material changes

in certain of the estimates that we use could potentially affect, by a material amount, our consolidated financial position and results of operations. Although results may vary, we believe our estimates are reasonable and appropriate. See Note 2 to our consolidated financial statements included in "Item 8 — FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA" for a summary of our significant accounting policies. The following describes certain of our significant accounting policies that involve more subjective and complex judgments where the effect on our consolidated financial position and operating performance could be material.

Revenue Recognition

In accordance with ASC Topic 606, "Revenue from Contracts with Customers," the Company recognizes revenues when goods or services are transferred to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. In determining when and how revenues are recognized from contracts with customers, the Company performs the following five-step analysis: (i) identification of contract with customer; (ii) determination of performance obligations; (iii) measurement of the transaction price; (iv) allocation of the transaction price to the performance obligations, and (v) recognition of revenues when (or as) the Company satisfies each performance obligation. The Company derives revenues from the processing, distribution and sale of its products. The Company recognizes its revenues net of VAT. The Company is subject to VAT which had been levied at the rate of 17% on the invoiced value of sales until April 30, 2018, after which date the rate was reduced to 16%. VAT rate was further reduced to 13% starting from April 1, 2019. Output VAT is borne by customers in addition to the invoiced value of sales and input VAT is borne by the Company in addition to the invoiced value of purchases to the extent not refunded for export sales.

Revenues are recognized at a point in time once the Company has determined that the customer has obtained control over the product. Control is typically deemed to have been transferred to the customer when the performance obligation is fulfilled, usually at the time of customers' acceptance or consumption, at the net sales price (transaction price) and each of the criteria under ASC 606 have been met. Contract terms may require the Company to deliver the finished goods to the customers' location or the customer may pick up the finished goods at the Company's factory. International sales are recognized when shipment clears customs and leaves the port.

The Company adopted ASC 606 on January 1, 2018, using the transition method of Modified-Retrospective Method ("MRM"). The adoption of ASC 606 had no impact on the Company's beginning balance of retained earnings.

The Company's contracts are all short-term in nature with a contract term of one year or less. Receivables are recorded when the Company has an unconditional right to consideration.

Business Combination

On October 24, 2019, we consummated our Business Combination with Zhongchai Holding following a special meeting of the shareholders, where the shareholders of Greenland considered and approved, among other matters, a proposal to adopt and entered into the Share Exchange Agreement, dated as of July 12, 2019, among (i) Greenland, (ii) Zhongchai Holding, (iii) the Sponsor in the capacity as the Purchaser Representative, and (iv) Cenntro Holding Limited, the sole member of Zhongchai Holding.

Pursuant to the Share Exchange Agreement, Greenland acquired from Cenntro Holding Limited all of the issued and outstanding equity interests of Zhongchai Holding in exchange for 7,500,000 newly issued ordinary shares, no par value of Greenland, to Cenntro Holding Limited. As a result, Cenntro Holding Limited became the then controlling shareholder of Greenland, and Zhongchai Holding became a directly and wholly owned subsidiary of Greenland. The Business Combination was documented as a reverse merger effected by a share exchange, wherein Zhongchai Holding is considered the acquirer for accounting and financial reporting purposes.

Pursuant to that certain finder agreement with Hanyi Zhou dated May 29, 2019 (the "Finder Agreement"), 50,000 ordinary shares were issued to Hanyi Zhou as a finder fee for the Business Combination.

Inventories

Inventories are stated at the lower of cost or net realizable value, which is based on estimated selling prices less any further costs expected to be incurred for completion and disposal. Cost of raw materials is calculated using the weighted average method and is based on purchase cost. Work-in-progress and finished goods costs are determined using the weighted average method and comprise direct materials, direct labor and an appropriate proportion of overhead.

Income Taxes

The Company accounts for income taxes following the liability method pursuant to FASB ASC 740 "Income Taxes". Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the period in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if, based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rate is recognized in income in the period that includes the enactment date.

The Company also follows FASB ASC 740, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. ASC 740 also provides guidance on recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. As of December 31, 2025, the Company did not have any liability for unrecognized tax benefits. It is the Company's policy to include penalties and interest expense related to income taxes as a component of other expense and interest expense, respectively, as necessary. The Company's historical tax years will remain open for examination by the local authorities until the statute of limitations has passed.

Off Balance Sheet Arrangements

None.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Certain information regarding this Item is contained in Item 7 under the headings "Credit Risk," "Liquidity Risk," and "Inflation Risk."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

GREENLAND TECHNOLOGIES HOLDING CORPORATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Greenland Technologies Holding Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Greenland Technologies Holding Corporation and its subsidiaries. (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive income, changes in shareholders' equity and cash flows for each of the years ended December 31,2025 and 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31,2025 and 2024, and the results of its operations and its cash flows for each of the years ended December 31, 2025 and 2024, in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) related to accounts or disclosures that were material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which they relate.

As described in Notes 16 to the consolidated financial statements, the Company's warrant liability was $0.07 million as of December 31, 2025, which amount was material to the consolidated financial statements as a whole. Management applies significant judgments in estimating fair values of warrant liability including selection of valuation methods and significant assumptions used in valuation such as Black — Scholes model and significant inputs into the model.

Our principal audit procedures performed to address this critical audit matter included the following:

- We obtained an understanding of the controls and processes surrounding the evaluation, initial measurement and revaluation of the warrant liability.

- We evaluated management's assessment and the conclusions reached to ensure these instruments were recorded in accordance with the relevant accounting guidance.
- We evaluated the value of these warrant liability by vouching the related agreement.
- We reviewed and tested the significant assumption and recalculated related underlying data used in the valuation model used by the management to verify the reasonableness of valuation models used.
- We performed research to determine that the model was appropriate to the facts and circumstances.

The accounts relevant to this critical audit matter include the value of the warrant liabilities and the related disclosures in the accompanying Note 16 to the consolidated financial statements.

/s/ Enrome LLP

We have served as the Company's auditor since 2024

Singapore
March 23, 2026

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 7,775,330	$ 6,659,142
Restricted cash	71,540	1,952,653
Short term investment	24,454,701	18,535,354
Notes receivable	14,704,079	22,736,700
Accounts receivable, net	17,256,479	15,796,423
Inventories, net	24,377,036	23,378,090
Due from related parties-current, net	1,106,417	235,497
Advance to suppliers	80,757	1,810,157
Fixed deposit-current	2,966,386	
Prepayments and other current assets	2,472,387	1,542,743
Total Current Assets	**$ 95,265,112**	**$ 92,646,759**
Non-current asset		
Property, plant, equipment and construction in progress, net	11,889,147	13,140,534
Land use rights, net	3,325,188	3,269,999
Intangible assets	68,691	89,959
Deferred tax assets	446,613	426,485
Right-of-use assets	—	1,624,290
Fixed deposit-non current	4,421,828	4,130,514
Other non-current assets	355,762	247,655
Total non-current assets	**$ 20,507,229**	**$ 22,929,436**
TOTAL ASSETS	**$ 115,772,341**	**$ 115,576,195**
Current Liabilities		
Notes payable-bank acceptance notes	$ 12,759,720	$ 19,366,241
Accounts payable	25,604,917	23,102,944
Taxes payables	1,622,509	1,200,681
Contract liabilities	93,698	328,873
Due to related parties	5,275,011	9,037,543
Other current liabilities	2,941,871	3,985,008
Lease liabilities	—	516,673
Total current liabilities	**$ 48,297,726**	**$ 57,537,963**
Non-current liabilities		
Lease liabilities	—	1,167,941
Deferred revenue	1,083,784	1,263,180
Warrant liability	70,910	2,338,223
Total non-current liabilities	**$ 1,154,694**	**$ 4,769,344**
TOTAL LIABILITIES	**$ 49,452,420**	**$ 62,307,307**

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS — (CONTINUED)
AS OF DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	December 31, 2025	December 31, 2024
COMMITMENTS AND CONTINGENCIES	—	—
Shareholders' equity		
Ordinary shares, no par value, unlimited shares authorized; 17,394,226 and 13,594,530 shares issued and outstanding as of December 31, 2025 and December 31, 2024.	—	—
Additional paid-in capital	33,017,917	27,470,361
Statutory reserves	3,842,331	3,842,331
Retained earnings	37,533,648	32,602,105
Accumulated other comprehensive loss	(1,452,410)	(3,707,100)
Total shareholders' equity attributed to Greenland Technologies Holding Corporation and subsidiaries	**$ 72,941,486**	**$ 60,207,697**
Non-controlling interest	(6,621,565)	(6,938,809)
TOTAL SHAREHOLDERS' EQUITY	**$ 66,319,921**	**$ 53,268,888**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 115,772,341**	**$ 115,576,195**

See accompanying notes to the consolidated financial statements.

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	For the years ended December 31,	
	2025	**2024**
Revenues	**$ 90,694,007**	**$ 83,944,661**
Cost of goods sold	**62,248,455**	**61,411,693**
Gross profit	**28,445,552**	**22,532,968**
Selling expenses	1,735,358	2,148,659
General and administrative expenses	15,267,842	4,853,768
Research and development expenses	3,920,274	2,936,399
Total operating expenses	**$ 20,923,474**	**$ 9,938,826**
INCOME FROM OPERATIONS	**$ 7,522,078**	**$ 12,594,142**
Interest income	677,386	864,390
Interest expense	(111,663)	(84,243)
Loss (gain) on disposal of property, plant, equipment	(3,999)	5,863
Change in fair value of the warrant liability	2,267,313	1,746,382
Government subsidies income	812,873	881,175
Other income	946,097	659,204
INCOME BEFORE INCOME TAX	**$ 12,110,085**	**$ 16,666,913**
INCOME TAX EXPENSE	**3,511,822**	**1,512,758**
NET INCOME	**$ 8,598,263**	**$ 15,154,155**
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	3,666,720	1,087,183
NET INCOME ATTRIBUTABLE TO GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES	**$ 4,931,543**	**$ 14,066,972**
OTHER COMPREHENSIVE INCOME (LOSS):	**2,518,278**	**(1,218,261)**
Unrealized foreign currency translation income (loss) attributable to Greenland Technologies Holding Corporation and subsidiaries	2,254,690	(1,123,306)
Unrealized foreign currency translation income (loss) attributable to non-controlling interest	263,588	(94,955)
Total comprehensive income attributable to Greenland technologies holding corporation and subsidiaries	**7,186,233**	**12,943,666**
Total comprehensive income attributable to noncontrolling interest	**3,930,308**	**992,228**
WEIGHTED AVERAGE ORDINARY SHARES OUTSTANDING:	16,145,011	13,594,530
Basic and diluted	0.31	1.03

See accompanying notes to the consolidated financial statements.

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	Ordinary Shares No Par Value		Additional Paid-in Capital	Accumulated Other Comprehensive Income/(loss)	Statutory Reserve	Retained Earnings	Total shareholders' equity attributed to Greenland Technologies Holding Corporation and subsidiaries	Non-controlling Interest	Total Shareholders' Equity
	Shares	Amount							
Balance as of December 31, 2023	**13,594,530**	**—**	**$ 30,286,560**	**$ (2,583,794)**	**3,842,331**	**$18,535,133**	**$50,080,230**	**$ 573,171**	**$ 50,653,401**
Capital reduction for non-controlling interests	**—**	**—**	**(2,816,199)**	**—**	**—**	**—**	**(2,816,199)**	**(2,570,108)**	**(5,386,307)**
Net income	—	—	—	—	—	14,066,972	**14,066,972**	1,087,183	**15,154,155**
Dividend	—	—	—	—	—	—	**—**	(5,934,100)	**(5,934,100)**
Foreign currency translation adjustment	—	—	—	(1,123,306)	—	—	**(1,123,306)**	(94,955)	**(1,218,261)**
Balance as of December 31, 2024	**13,594,530**	**—**	**$ 27,470,361**	**$ (3,707,100)**	**3,842,331**	**$32,602,105**	**60,207,697**	**$ (6,938,809)**	**$ 53,268,888**
Share issuance for stock based compensation	3,799,696	—	5,547,556	—	—	—	**5,547,556**	—	**5,547,556**
Net income	—	—	—	—	—	4,931,543	**4,931,543**	3,666,720	**8,598,263**
Dividend	—	—	—	—	—	—	**—**	(3,613,064)	**(3,613,064)**
Foreign currency translation adjustment	—	—	—	2,254,690	—	—	**2,254,690**	263,588	**2,518,278**
Balance as of December 31, 2025	**17,394,226**	**—**	**$ 33,017,917**	**$ (1,452,410)**	**3,842,331**	**$37,533,648**	**72,941,486**	**$ (6,621,565)**	**$ 66,319,921**

See accompanying notes to the consolidated financial statements.

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	For the years ended December 31,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	**$ 8,598,263**	**$ 15,154,155**
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,407,709	2,245,272
Amortization of deferred subsidy	(228,357)	(228,097)
Loss (gain) on disposal of property, plant, equipment	3,999	(5,863)
Increase (Decrease) in allowance for credit losses	15,596	(856,311)
Increase (Decrease) in provision for inventories	1,042,942	(88,966)
Change in fair value of warrant liability	(2,267,313)	(1,746,382)
Uncollectible accounts written off	1,705,312	—
Stock based compensation expense	5,547,556	—
Deferred tax assets	(1,415)	(179,486)
Non-cash lease expenses	254,594	419,315
Accrued interest income derived from loan to related parties	(9,520)	(2,385)
Accrued expense	(490,117)	2,141,850
Changes in operating assets and liabilities:		
Increase (Decrease) In:		
Accounts receivable	(1,692,338)	1,109,710
Notes receivable	8,783,986	3,709,933
Inventories	(1,058,340)	689,511
Advance to suppliers	1,732,340	(1,523,769)
Other current and noncurrent assets	(9,336,598)	(11,135,346)
Increase (Decrease) In:		
Accounts payable	1,449,981	(1,522,081)
Contract liabilities	(239,980)	195,039
Other current liabilities	(669,329)	(371,959)
Income tax payables	374,904	469,757
Due to related parties	—	5,273,747
Lease liabilities	(314,918)	(405,758)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**$ 15,608,957**	**$ 13,341,886**

GREENLAND TECHNOLOGIES HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS — (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(AUDITED, IN U.S. DOLLARS)

	For the years ended December 31,	
	2025	**2024**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant, equipment	$ (525,718)	$ (1,964,276)
Loan payment to third parties	(695,652)	(694,859)
Repayment of loans lend to third parties	278,261	694,859
Proceeds from sale of property, plant and equipment	23,516	96,030
NET CASH USED IN INVESTING ACTIVITES	**$ (919,593)**	**$ (1,868,246)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from short-term bank loans	$ —	$ 5,558,875
Repayments of short-term bank loans	—	(8,560,668)
Notes payable	(7,252,870)	(16,578,724)
Dividend paid	(2,221,760)	(5,934,100)
Capital reduction for non-controlling interests	—	(5,386,307)
Proceeds from related parties	271,000	—
Repayment of loans from related parties	(6,405,930)	—
NET CASH USED IN FINANCING ACTIVITES	**$ (15,609,560)**	**$ (30,900,924)**
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	**$ (920,196)**	**$ (19,427,284)**
Effect of exchange rate changes on cash	155,271	(150,308)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF YEAR	**8,611,795**	**28,189,387**
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD	**$ 7,846,870**	**$ 8,611,795**
Bank balances and cash	7,775,330	6,659,142
Bank balances and cash included in assets classified as restricted cash	71,540	1,952,653
Supplemental Disclosure of Cash Flow Information		
Income taxes paid	3,094,942	1,593,305
Interest paid	—	48,441

See accompanying notes to the consolidated financial statements.

NOTE 1 — ORGANIZATION AND PRINCIPAL ACTIVITIES

Greenland Technologies Holding Corporation (the "Company" or "Greenland") designs, develops, manufactures and sells components and products for the global material handling industries.

Through its subsidiaries in People's Republic of China (the "PRC" or "China"), Greenland offers transmission products, which are key components for forklift trucks used in manufacturing and logistic applications, such as factories, workshops, warehouses, fulfilment centers, shipyards, and seaports. Forklifts play an important role in the logistic systems of many companies across different industries in China and globally. Generally, industries with the largest demand for forklifts include the transportation, warehousing logistics, electrical machinery, and automobile industries.

Greenland's transmission products are used in 1-ton to 15-tons forklift trucks, some with mechanical shift and some with automatic shift. Greenland sells these transmission products directly to forklift-truck manufacturers. In the fiscal years ended December 31, 2025 and 2024, Greenland sold an aggregate of 166,317 and 149,597 sets of transmission products, respectively, to more than 100 forklift manufacturers in the PRC.

In January 2020, Greenland formed HEVI Corp. ("HEVI") to focus on the production and sale of electric industrial vehicles to meet the increasing demand for electric industrial vehicles and machinery powered by sustainable energy to reduce air pollution and lower carbon emissions. HEVI is a wholly owned subsidiary of Greenland incorporated under the laws of the State of Delaware. Prior to 2025, HEVI had been manufacturing and selling electric industrial vehicle products. However, substantially all of HEVI's business operations have been suspended since 2025 due to uncertainty regarding tariff policy. HEVI intends to resume operations once the policy environment stabilizes. HEVI's electric industrial vehicle products (which it are not currently being offered as a result of the suspension of its operations) include GEF-series electric forklifts, a series of lithium powered forklifts with three models ranging in size from 1.8 tons to 3.5 tons, GEL-1800, a 1.8-ton rated load lithium powered electric wheeled front loader, GEX-8000, an all-electric 8.0 ton rated load lithium powered wheeled excavator, and GEL-5000, an all-electric 5.0 ton rated load lithium wheeled front loader. In addition, in April 2023, HEVI introduced a line of mobile DC battery chargers that support DC powered EV applications in the North America market. In July 2024, HEVI announced a partnership with Lonking Holdings Limited to develop and distribute heavy electric machinery and related technology specialized for the U.S. market. In August 2024, HEVI launched its H55L all-electric wheeled front-end loader, which can lift up to six tons in indoor and outdoor applications without the mess and emissions of diesel, and the H65L all-electric wheeled front-end loader, a lithium battery wheeled front-end loader.

Greenland is the parent company of HEVI and Greenland Holding Enterprises Inc. ("Greenland Holding"), a holding company formed in the State of Delaware on August 28, 2023, which in turn acts as the holding company for Zhongchai Holding (Hong Kong) Limited, a holding company formed under the laws of the Hong Kong Administrative Region of the PRC ("Hong Kong") on April 23, 2009 ("Zhongchai Holding"). Zhongchai Holding's subsidiaries include Zhejiang Zhongchai Machinery Co. Ltd., an operating company formed under the laws of the PRC in 2005 ("Zhejiang Zhongchai"), Hangzhou Greenland Energy Technologies Co., Ltd. ("Hangzhou Greenland"), an operating company formed under the laws of the PRC in 2019, and Hengyu Capital Limited, a company formed in Hong Kong on August 16, 2022 ("Hengyu Capital"). Through Zhongchai Holding and its subsidiaries, Greenland develops and manufactures traditional transmission products for material handling machinery in the PRC.

Greenland was incorporated on December 28, 2017 as a British Virgin Islands business company with limited liability. Following the Business Combination (as described and defined below) in October 2019, the Company changed its name from Greenland Acquisition Corporation to Greenland Technologies Holding Corporation.

The Company's Shareholders

As of December 31, 2025, Trendway Capital Limited owned 34.56% of Greenland's outstanding ordinary shares. Trendway Capital Limited is controlled and beneficially owned by Mr. Peter Zuguang Wang, the chairman of the board of directors of the Company.

NOTE 1 — ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The Company's Subsidiaries

Zhongchai Holding, the indirect wholly owned subsidiary of the Company, owns 89.47% of the equity interest in Zhejiang Zhongchai, 100% of the equity interest in Hangzhou Greenland and 62.5% of the equity interest in Hengyu Capital. HEVI is a wholly owned subsidiary of Greenland. Greenland Holding is a wholly owned subsidiary of the Company and holds 100% of the equity interests in Zhongchai Holding.

Zhejiang Zhongchai

Zhejiang Zhongchai, a limited liability company registered on November 21, 2005, is the direct operating subsidiary of Zhongchai Holding in the PRC. On April 5, 2007, Usunco Automotive Limited ("Usunco"), a British Virgin Islands limited liability company, invested US$8,000,000 for purchasing approximately 75.4717% equity interest of Zhejiang Zhongchai. On December 16, 2009, Usunco agreed to transfer its 75.4717% interest in Zhejiang Zhongchai to Zhongchai Holding. On April 26, 2010, Xinchang County Keyi Machinery Co., Ltd. transferred 24.5283% equity interest it owned in Zhejiang Zhongchai to Zhongchai Holding in exchange for a consideration of US$2.6 million. On November 1, 2017, Xinchang County Jiuxin Investment Management Partnership (LP) ("Jiuxin"), an entity controlled and beneficially owned by Mr. He Mengxing, president of Zhejiang Zhongchai, completed its investment of approximately RMB31,590,000 in Zhejiang Zhongchai for 10.53% of its interest. On December 29, 2021, Xinchang County Jiuhe Investment Management Partnership (LP) ("Jiuhe"), an entity controlled and beneficially owned by Mr. He Mengxing, president of Zhejiang Zhongchai, completed its investment of approximately RMB34,300,000 in Zhejiang Zhongchai for 20.00% of its interest. On November 25, 2024, Jiuhe withdrew its investment in Zhejiang Zhongchai. As a result, the equity interests in Zhejiang Zhongchai was redistributed between Zhongchai Holding and Jiuxin. As of December 31, 2025, Zhongchai Holding owned approximately 89.47% of the equity interests and Jiuxin owned approximately 10.53% of the equity interests.

Through Zhejiang Zhongchai, the Company has been engaging in the manufacturing and sales of transmission systems mainly for forklift trucks since 2006. These forklift trucks are used in manufacturing and logistics applications, such as factory, workshop, warehouse, fulfilment centers, shipyards and seaports. The transmission systems are the key components for forklift trucks. The Company supplies transmission systems to forklift truck manufacturers. Its transmission systems fit for forklift trucks ranging from 1 to 15 tons, with either mechanical shift or automatic shift. All the products are currently manufactured at the Company's facility in Xinchang, Zhejiang Province, the PRC and are sold to both domestic and oversea markets.

Hangzhou Greenland

Hangzhou Greenland is a limited liability company registered on August 9, 2019 in Hangzhou Sunking Plaza, Zhejiang, the PRC. Hangzhou Greenland engages in the business of trading construction engineering machinery, electronic components, hardware, and others.

HEVI

HEVI was incorporated on January 14, 2020 under the laws of the State of Delaware. HEVI is a wholly owned subsidiary of Greenland and promotes sales of sustainable alternative products for the heavy industrial equipment industry, including electric industrial vehicles, in the North American market.

Hengyu Capital

Hengyu Capital is a limited liability company registered on August 16, 2022 in Hong Kong. The main business of Hengyu Capital is to engage in investment management and consulting services.

Greenland Holding Enterprises Inc.

Greenland Holding Enterprises Inc. is a holding company registered on August 28, 2023 in the State of Delaware with no operations.

NOTE 1 — ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

Details of the Company's subsidiaries, which are included in these consolidated financial statements as of December 31, 2025, are as follows:

Name	Domicile and Date of Incorporation	Paid-in Capital		Ownership Percentage	Principal Activities
Zhongchai Holding (Hong Kong) Limited	Hong Kong April 23, 2009	HKD	10,000	100%	Holding
Zhejiang Zhongchai Machinery Co., Ltd.	PRC November 21, 2005	RMB	20,000,000	89.47%	Manufacture, sale of various transmission boxes
Hangzhou Greenland Energy Technologies Co., Ltd.	PRC August 9, 2019	RMB	8,669,482	100%	Trading
HEVI Corp.	Delaware January 14, 2020	USD	6,363,557	100%	U.S. operation and distribution of electric industrial vehicles for North American market
Hengyu Capital, Ltd	Hong Kong August 16, 2022	HKD	10,000	62.5%	Investment management and consulting services
Greenland Holding Enterprises Inc.	Delaware August 28, 2023	USD	1	100%	Holding

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for information pursuant to the rules and regulations of the U.S. Securities and Exchange Commission.

Principles of Consolidation

The consolidated financial statements are prepared in accordance with U.S. GAAP. The consolidated financial statements include the consolidated financial statements of the Company and its subsidiaries, which include Hong Kong-registered entities and PRC-registered entities directly or indirectly owned by the Company. All transactions and balances among the Company and its subsidiaries have been eliminated upon consolidation. The results of subsidiaries acquired or disposed of are recorded in the consolidated income statements from the effective date of acquisition or up to the effective date of disposal, as appropriate.

A subsidiary is an entity in which (i) the Company directly or indirectly controls more than 50% of the voting power; or (ii) the Company has the power to appoint or remove the majority of the members of the board of directors or to cast a majority of votes at the meetings of the board of directors or to govern the financial and operating policies of the investee pursuant to a statute or under an agreement among the shareholders or equity holders.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, management reviews these estimates and assumptions in light of currently available information. In accordance with ASC 250, changes in estimates resulting from changes in facts and circumstances are recognized in the period in which such changes occur. The Company bases its estimates on past experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

of assets and liabilities. Estimates are used when accounting for matters including, but not limited to, allowances for expected credit losses, inventory provisions, useful lives and impairment of long-lived assets, and valuation allowances for deferred tax assets.

Non-controlling Interest

Non-controlling interests in the Company's subsidiaries are recorded in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification 810 Consolidation ("ASC 810") and are reported as a component of equity, separate from the parent's equity. Purchase or sale of equity interests that do not result in a change of control are accounted for as equity transactions. Results of operations attributable to the non-controlling interest are included in our consolidated results of operations and, upon loss of control, the interest sold, as well as interest retained, if any, will be reported at fair value with any gain or loss recognized in earnings.

Foreign Currency Translation

Since the Company operates primarily in the PRC, the Company's functional currency is the Renminbi ("RMB"). The Company's consolidated financial statements have been translated into the reporting currency of the United States Dollar ("USD", "US$" or "$"). Assets and liabilities of the Company are translated at the exchange rate at each reporting period end date. Equity is translated at the historical exchange rate when the transaction occurs. Income and expense accounts are translated at the average rate of exchange during the reporting period. The resulting translation adjustments are reported under other comprehensive income (loss). Gains and losses resulting from the translation of foreign currency transactions and balances are reflected in the results of operations.

The exchange rates used to translate amounts in RMB into USD for the purposes of preparing the audited consolidated financial statements or otherwise disclosed in this report were as follows:

	As of	
	December 31, 2025	December 31, 2024
Period end RMB: US$ exchange rate	6.9931	7.2993

	For the years ended December 31,	
	2025	2024
Period average RMB: US$ exchange rate	7.1875	7.1957

The RMB is not freely convertible into foreign currency and all foreign exchange transactions must take place through authorized institutions. The PRC government imposes significant exchange restrictions on fund transfers out of the PRC that are not related to business operations.

Cash and Cash Equivalents

For financial reporting purposes, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Company maintains its bank accounts with various financial institutions primarily in mainland China and the U.S. The Company has not experienced any losses in bank accounts.

Restricted Cash

Restricted cash represents amounts held by a bank as security for bank acceptance bills, as well as the financial product secured for the short-term bank loan and therefore is not available for the Company's use until such time as the bank acceptance notes and bank loans have been fulfilled or expired, normally within a twelve-month period.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

The following represents a reconciliation of cash and cash equivalents in the consolidated balance sheets to total cash, cash equivalents and restricted cash in the consolidated statements of cash flows as of December 31, 2025 and December 31, 2024:

	As of	
	December 31, 2025	December 31, 2024
Cash and cash equivalents	$ 7,775,330	$ 6,659,142
Restricted cash	71,540	1,952,653
Cash, cash equivalents and restricted cash	$ 7,846,870	$ 8,611,795

Fair Value of Financial Instruments

The Company applies the provisions of ASC 820, *Fair Value Measurements and Disclosures*, to the financial instruments that are required to be carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The Company uses a three-tier fair value hierarchy based upon observable and non-observable inputs that prioritizes the information used to develop our assumptions regarding fair value. Fair value measurements are separately disclosed by level within the fair value hierarchy.

- Level 1 — defined as observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2 — defined as inputs other than quoted prices in active markets, that are either directly or indirectly observable; and
- Level 3 — defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The Company considers the carrying amounts of its financial assets and liabilities, which consist primarily of cash and cash equivalents, short-term investments, accounts receivable, notes receivable, amounts due from/to a related party, other receivables, fixed deposits, accounts payable, other payables, and warrant liability, to approximate the fair values of the respective assets and liabilities as of December 31, 2025 and December 31, 2024, owing to their short-term nature or present value characteristics. For note payable-bank acceptance notes, fair value approximates their carrying value at year-end, as fair value is estimated using discounted cash flows in which the interest rates used to discount the host contracts approximate market rates. For the years ended December 31, 2025 and 2024, there were no transfers between different levels of inputs used to measure fair value.

The following table summarizes the fair value measurements of assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2025:

(amount in absolute value)	Active Market for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Carrying Value
Short term investment	$ —	24,454,701	—	$ 24,454,701
Warrants liability	—	70,910	—	70,910
Total	$ —	24,525,611	—	$ 24,525,611

Accounts Receivable

Accounts receivable are recorded at the gross billing amount less an allowance for expected credit losses from the customers. Accounts receivable do not bear interest.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Effective January 1, 2023, the Company adopted Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"), using the modified retrospective transition method. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, resulting in more timely recognition of credit losses. Upon adoption, the Company changed its impairment model to utilize a forward-looking current expected credit losses ("CECL") model in place of the incurred loss methodology for financial instruments measured at amortized cost and receivables resulting from the application of ASC 606, including contract assets.

The Company maintains an allowance for credit losses in accordance with ASC Topic 326, *Credit Losses* ("ASC 326"), and records the allowance for credit losses as an offset to accounts receivable and contract assets, with the estimated credit losses charged to the allowance in the consolidated statements of operations and comprehensive income (loss). The Company assesses collectability by reviewing accounts receivable on a collective basis where similar characteristics exist, primarily based on similar business lines, services, or product offerings, and on an individual basis when the Company identifies specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the accounts receivable balances and contract asset balances, credit quality of the Company's customers based on ongoing credit evaluations, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the weighted average method and includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Costs of purchase consist of the purchase price, import duties, freight, handling, and other directly attributable costs, less trade discounts, rebates, and other similar items. Costs of conversion include direct labor and a systematic allocation of fixed and variable production overheads incurred in converting raw materials into finished goods. Other costs are included only to the extent they are incurred in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling prices in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost of raw materials is calculated using the weighted average method and is based on purchase cost. Work-in-progress and finished goods costs are determined using the weighted average method and comprise direct materials, direct labor and an appropriate proportion of overhead.

Advance to Suppliers

Advance to suppliers represents interest-free cash paid in advance to suppliers for purchases of parts and/or raw materials. The balance of advance to suppliers was $0.08 million and $1.81 million as of December 31, 2025 and 2024, respectively.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost less accumulated depreciation, and include expenditure that substantially increases the useful lives of existing assets. Expenditures for repairs and maintenance, which do not extend the useful life of the assets, are expensed as incurred.

Depreciation is provided over their estimated useful lives, using the straight-line method. Estimated useful lives are as follows:

Buildings	20 years
Machinery	2 ~ 10 years
Motor vehicles	4 years
Electronic equipment	3 ~ 5 years

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the combined statements of income and comprehensive income (loss). Expenditures for maintenance and repairs are charged to earnings as incurred, while additions, renewals and betterments, which are expected to extend the useful life of assets, are capitalized. The Company also re-evaluates the periods of depreciation to determine whether subsequent events and circumstances indicate a change in estimates of useful lives. No such events were identified for the years ended December 31, 2024 and 2025.

Construction in process

Property, plant, and equipment that are purchased or constructed which require a period of time before the assets are ready for their intended use are accounted for as construction-in-progress. Construction-in-progress is recorded at acquisition cost, including installation costs. Construction-in-progress is transferred to specific property and equipment accounts and commences depreciation when these assets are ready for their intended use.

Land Use Rights

According to the PRC laws, the government owns all the land in the PRC. Companies or individuals are authorized to possess and use the land only through land use rights granted by the Chinese government. The land use rights granted to the Company are being amortized using the straight-line method over the lease term of fifty years.

Impairment of Long-Lived Assets

Long-lived assets are evaluated for impairment periodically whenever events or changes in circumstances indicate that their related carrying amounts may not be recoverable in accordance with FASB ASC 360, “Property, Plant and Equipment”.

In evaluating long-lived assets for recoverability, the Company uses its best estimate of future cash flows expected to result from the use of the asset and eventual disposition in accordance with FASB ASC 360-10-15. To the extent that estimated future, undiscounted cash inflows attributable to the asset, less estimated future, undiscounted cash outflows, are less than the carrying amount, an impairment loss is recognized in an amount equal to the difference between the carrying value of such asset and its fair value. Assets to be disposed of and for which there is a committed plan of disposal, whether through sale or abandonment, are reported at the lower of carrying value or fair value less costs to sell. There was no impairment loss recognized for the years ended December 31, 2025 and 2024.

Lease

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which is effective for annual reporting periods (including interim periods) beginning after December 15, 2018. The Company adopted the Topic 842 on January 1, 2020 using a modified retrospective approach reflecting the application of the standard to leases existing at, or entered after, the beginning of the earliest comparative period presented in the consolidated financial statements.

The Company, through its subsidiary, leases its assembly site, which are classified as operating leases in accordance with Topic 842. Operating leases are required to be recorded on the balance sheet as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. The Company has elected the package of practical expedients, which allows the Company not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date, and (3) initial direct costs for any expired or existing leases as of the adoption date. The Company elected the short-term lease exemption for the lease terms that are 12 months or less.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange of a consideration. To assess whether a contract is or contains a lease, the Company assesses whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all the economic benefits from the use of the asset

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

and whether it has the right to control the use of the asset. The right-of-use assets and related lease liabilities are recognized at the lease commencement date. The Company recognizes operating lease expenses on a straight-line basis over the lease term and had no finance leases for any of the periods stated herein.

The right-of-use of asset is initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and less any lease incentive received. All right-of-use assets are reviewed for impairment annually. There was no impairment for right-of-use lease assets as of December 31, 2025 and December 31, 2024.

Revenue Recognition

In accordance with ASC Topic 606, "Revenue from Contracts with Customers," the Company recognizes revenues when goods or services are transferred to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. In determining when and how revenues are recognized from contracts with customers, the Company performs the following five-step analysis: (i) identification of a contract with a customer; (ii) determination of performance obligations; (iii) measurement of the transaction price; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenues when (or as) the Company satisfies each performance obligation.

Principal versus Agent Considerations

The Company acts as a principal, rather than as an agent, in its revenue transactions. This determination is based on the Company's assessment of control pursuant to ASC 606-10-55-36 through 55-40. The Company controls each specified good before it is transferred to the customer, as evidenced by the following indicators:

Primary responsibility for fulfillment: The Company is primarily responsible for fulfilling the promise to provide products to customers, including with respect to product quality, delivery, and acceptance. The Company handles all customer inquiries, complaints, returns, and warranty claims directly with customers.

Inventory risk: The Company bears inventory risk prior to the transfer of goods to customers, including the risk of obsolescence, damage, and loss. The Company purchases raw materials, manufactures finished goods, and holds inventory at its own facilities prior to the receipt of customer orders.

Pricing discretion: The Company has sole discretion in establishing the prices charged to customers. Prices are determined based on the Company's own cost structure, market conditions, and pricing strategies, independently of any third-party suppliers.

No intermediary role: The Company manufactures its own products through its subsidiaries and sells them directly to customers. There are no arrangements pursuant to which another party provides goods or services to the customer on the Company's behalf.

Accordingly, the Company recognizes revenue on a gross basis, presenting the full transaction price as revenue and the corresponding cost of goods sold as a separate line item in the statements of operations.

Contracts with Customers and Performance Obligations

The Company's contracts with customers are primarily purchase orders for the sale of its transmission products. These contracts have commercial substance and are short-term in nature, with a contract term of one year or less. The transaction price in these contracts is fixed, based on the agreed-upon unit price and quantity. Payment is typically due within two months after the customer's acceptance of the goods. The Company has concluded that the promise to transfer each unit of product is the only performance obligation in these contracts. This promise is distinct, as the customer can benefit from the product either on its own or together with other readily available resources, and the

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Company's promise to transfer the goods is separately identifiable from any other promises in the contract, pursuant to ASC 606-10-25-19. The Company's standard warranty is not assessed as a separate performance obligation as it does not provide a service beyond assuring that the product complies with agreed-upon specifications.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that remains conditional upon factors other than the passage of time. The Company does not have contract assets for the years presented.

Contract liabilities

Contract liabilities represent consideration received by the Company for which the related performance obligations have not yet been satisfied. Contract liabilities primarily consist of payments received for the sale of products in advance of revenue recognition and deferred revenue related to government subsidies received prior to the satisfaction of the associated qualifying conditions.

The following table summarizes the movement in contract liabilities during the year ended December 31, 2025:

	Contract Liabilities	Deferred Revenue	Total Contract Liabilities
Beginning balance	$ 328,873	1,263,180	$ 1,592,053
Additions	10,243	—	10,243
Recognized as revenue during the year	(250,223)	(228,357)	(478,580)
Effect of foreign exchange change	4,805	48,961	53,766
Ending balance	$ 93,698	1,083,784	$ 1,177,482

Contract liabilities decreased during the year ended December 31, 2025, as advance payments were applied upon delivery of the related products. The remaining balance of $93,698 as of December 31, 2025 represents deposits received for orders not yet delivered and is expected to be recognized as revenue within the next twelve (12) months. The decrease in deferred revenue is primarily attributable to the recognition of grant income upon satisfaction of the associated qualifying conditions during the period.

The Company derives revenues from the processing, distribution and sale of its products. The Company recognizes its revenues net of value-added taxes ("VAT"). The Company is subject to VAT at a rate of 13%. Output VAT is borne by customers in addition to the invoiced value of sales and input VAT is borne by the Company in addition to the invoiced value of purchases to the extent not refunded for export sales.

Revenues are recognized at a point in time once the Company has determined that the customer has obtained control over the product. Control is typically deemed to have been transferred to the customer when the performance obligation is fulfilled, usually at the time of customers' acceptance or consumption, at the net sales price (transaction price) and each of the criteria under ASC 606 have been met. Contract terms may require the Company to deliver the finished goods to the customers' location or the customer may pick up the finished goods at the Company's factory. Revenue is recognized only upon the customer's formal acknowledgement of receipt, as evidenced by a signed delivery acceptance document, at which point the risks and rewards of goods are transferred to customers. International sales are recognized when shipment clears customs and leaves the port. Payments due within two months after customers' acceptance or consumption.

The Company adopted ASC 606 on January 1, 2018, using the transition method of Modified-Retrospective Method ("MRM"). The adoption of ASC 606 had no impact on the Company's beginning balance of retained earnings.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

The Company's contracts are all short-term in nature with a contract term of one year or less. Receivables are recorded when the Company has an unconditional right to consideration.

Contracts do not offer any price protection but allow for the return of certain goods if there is a quality problem, which is standard warranty. The Company's product returns and recorded reserve for sales returns were minimal for the years ended December 31, 2025 and 2024. The total sales return amount accounted for around 0.15% and 0.20% of the total revenue for the years ended December 31, 2025 and 2024, respectively. The total amount of warrant expenditures accounted for around 0.17% and 0.55% of the total revenue for the years ended December 31, 2025 and 2024, respectively.

The following table sets forth disaggregation of revenue:

	For the years ended December 31,	
	2025	2024
Major Product		
Transmission boxes for Forklift	$ 87,821,709	$ 79,753,008
Transmission boxes for Non-Forklift (EV, etc.)	2,872,298	4,191,653
Total	**$ 90,694,007**	**$ 83,944,661**

Cost of Goods Sold

Cost of goods sold consists primarily of material costs, freight charges, purchasing and receiving costs, inspection costs, internal transfer costs, wages, employee compensation, amortization, depreciation and related costs, which are directly attributable to the production of products. Write-down of inventory to lower of cost or net realizable value is also recorded in cost of goods sold.

Selling Expenses

Selling expenses include operating expenses such as payroll and traveling and transportation expenses.

General and Administrative Expenses

General and administrative expenses include management and office salaries and employee benefits, depreciation for office facility and office equipment, travel and entertainment, legal and accounting, consulting fees and other office expenses.

Research and Development

Research and development costs are expensed as incurred and totaled approximately $3.92 million and $2.94 million for the years ended December 31, 2025 and 2024, respectively. Research and development costs are incurred on a project specific basis.

Government Subsidies

Government subsidies are recognized when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with. When the subsidy relates to an expense item, it is recognized as income over the periods necessary to match the subsidy on a systematic basis to the costs that it is intended to compensate. Where the subsidy relates to an asset, it is recognized as other long-term liabilities and is released to the statement of operations over the expected useful life in a consistent manner with the depreciation method for the relevant asset. Total government subsidies were $1.08 million and $1.26 million as of December 31, 2025 and 2024, respectively.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Income Taxes

The Company accounts for income taxes following the liability method pursuant to FASB ASC 740 "Income Taxes". Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the period in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if, based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rate is recognized in income in the period that includes the enactment date.

The Company also follows FASB ASC 740, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. ASC 740 also provides guidance on recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. As of December 31, 2025 and 2024, the Company did not have a liability for unrecognized tax benefits. It is the Company's policy to include penalties and interest expense related to income taxes as a component of other expense and interest expense, respectively, as necessary. The Company's historical tax years will remain open for examination by the local authorities until the statute of limitations has passed.

Value-Added Tax

Enterprises or individuals, who sell commodities, engage in repair and maintenance or import or export goods in the PRC are subject to a value added tax in accordance with PRC Laws. The standard VAT rate is 13%. A credit is available whereby VAT paid on the purchases of semi-finished products or raw materials used in the production of the Company's finished products can be used to offset the VAT due on the sales of the finished products.

Statutory Reserve

In accordance with the PRC Regulations on Enterprises with Foreign Investment, an enterprise established in the PRC with foreign investment is required to provide for certain statutory reserves, namely (i) a General Reserve Fund, (ii) an Enterprise Expansion Fund and (iii) a Staff Welfare and Bonus Fund, which are appropriated from net profit as reported in the enterprise's PRC statutory accounts. A wholly owned foreign enterprise is required to allocate at least 10% of its annual after-tax profit to the General Reserve Fund until the balance of such fund has reached 50% of its respective registered capital. A non-wholly owned foreign invested enterprise is permitted to provide for the above allocation at the discretion of its board of directors. Appropriations to the Enterprise Expansion Fund and Staff Welfare and Bonus Fund are at the discretion of the board of directors for all foreign invested enterprises. The reserves can only be used for specific purposes and are not distributable as cash dividends.

Comprehensive Income (Loss)

Comprehensive income (loss) is defined as the change in equity during the year from transactions and other events, excluding the changes resulting from investments by owners and distributions to owners, and is not included in the computation of income tax expense or benefit. Accumulated comprehensive income consists of foreign currency translation. The Company presents comprehensive income (loss) in accordance with ASC Topic 220, "Comprehensive Income".

Earnings per share

The Company calculates earnings per share in accordance with ASC Topic 260 "Earnings per Share." Basic earnings per share is computed by dividing the net income(loss) attributable to Greenland Technologies Holding Corporation, by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

similar to basic earnings per share except that the denominator is increased to include the number of additional ordinary shares that would have been outstanding if the potential ordinary shares equivalents had been issued and if the additional ordinary shares were dilutive.

Segments and Related Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, and is identified on the basis of internal financial reports provided to and regularly reviewed by the Company's chief operating decision maker in order to allocate resources and assess the performance of the segment.

In accordance with ASC 280, Segment Reporting, operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), in deciding how to allocate resources and in assessing performance. The Company's revenue segments have similar economic characteristics and they are managed as a single business unit. The Company uses the "management approach" in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company's chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company's reportable segments. The Company's CODM has been identified as the chief executive officer (the "CEO"), who reviews consolidated results when making decisions about allocating resources and assessing performance of the Company. The Company has determined that there is only one reportable operating segment.

Commitments and contingencies

In the normal course of business, the Company is subject to contingencies, including legal proceedings and environmental claims arising out of the normal course of businesses that relate to a wide range of matters, including among others, contracts breach liability. The Company records accruals for such contingencies based upon the assessment of the probability of occurrence and, where determinable, an estimate of the liability. Management may consider many factors in making these assessments including past history, scientific evidence and the specifics of each matter. The Company's management has evaluated all such proceedings and claims that existed as of December 31, 2025 and 2024. Normal course of businesses that relate to a wide range of matters, including among others, contracts breach liability. The Company records accruals for such contingencies based upon the assessment of the probability of occurrence and, where determinable, an estimate of the liability. Management may consider many factors in making these assessments including past history, scientific evidence and the specifics of each matter. The Company's management has evaluated all such proceedings and claims that existed as of December 31, 2025 and 2024.

Related Party

In general, related parties exist when there is a relationship that offers the potential for transactions at less than arm's-length, favorable treatment, or the ability to influence the outcome of events different from that outcome which might result in the absence of that relationship. A related party may be any of the following: a) an affiliate, which is a party that directly or indirectly controls, is controlled by, or is under common control with another party; b) a principle owner, owner of record or known beneficial owner of more than 10% of the voting interest of an entity; c) management, which are persons having responsibility for achieving objectives of the entity and requisite authority to make decision; d) immediate family of management or principal owners; e) a parent company and its subsidiaries; f) other parties that have ability to significant influence the management or operating policies of the entity; and g) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its or their own separate interests. The Company discloses all significant related party transactions.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in the ASC 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). Management's assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether they meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own ordinary shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period-end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, they are recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, they are recorded as warrant liability at their initial fair value on the date of issuance and subject to remeasurement each balance sheet date with changes in the estimated fair value of the warrants to be recognized as a non-cash gain or loss in the statement of operations and comprehensive income.

Uncertainty and risks

Credit Risk

Assets that potentially subject the Company to significant concentration of credit risk primarily consist of cash and cash equivalents. The maximum exposure of such assets to credit risk is their carrying amount as at the balance sheet dates. As of December 31, 2025, cash and cash equivalents of $39,689,785 were deposited in financial institutions in the PRC, and each bank account is insured by the PRC government with the maximum limit of RMB500,000 (equivalent $69,800). To limit exposure to credit risk relating to deposits, the Company primarily places cash and cash equivalent with large financial institutions in China which management believes are of high credit quality and the Company also continually monitors their credit worthiness.

A significant portion of the Company's operations are conducted in the PRC. Accordingly, the Company's business, financial condition and results of operations may be influenced by the political, economic and legal environments in the PRC as well as by the general state of the PRC's economy. In addition, the Company's business may be influenced by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, rates and methods of taxation among other factors.

Foreign currency risk

The Company cannot guarantee that the current exchange rate will remain steady. Therefore, there is a possibility that the Company could post the same amount of profit for two comparable periods and yet, because of the fluctuating exchange rate, record higher or lower profit depending on exchange rate of RMB converted to U.S. dollars on the relevant dates. The exchange rate could fluctuate depending on changes in the political and economic environment without notice.

Concentration risks

Accounts receivable are typically unsecured and derived from goods sold to customers that are located primarily in China, thereby exposed to credit risk. The risk is mitigated by the Company's assessment of customers' creditworthiness and its ongoing monitoring of outstanding balances. The Company has a concentration of its receivables with specific customers. As of December 31, 2025, three customers accounted for 11.24%, 10.24% and 10.12% of total accounts receivable, respectively. As of December 31, 2024, two customers accounted for 12.78% and 10.33% of total accounts receivable, respectively. No other customers accounted for more than 10% of the Company's total accounts receivable as of December 31, 2025 and 2024.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

For the year ended December 31, 2025, two customers accounted for 15.07% and 10.05% of total revenue, respectively. For the year ended December 31, 2024, two customers accounted for 14.19% and 11.94% of total revenue, respectively. No other customers accounted for more than 10% of the Company's total revenue for the fiscal years ended December 31, 2025 and 2024.

There were no suppliers representing more than 10% of the Company's total purchases for the years ended December 31, 2025 and 2024, respectively.

Recently Issued Accounting Pronouncements

Recent accounting pronouncements that the Company has adopted or may be required to adopt in the future are summarized below:

In November 2024, the FASB issued ASU 2024-03, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires incremental disclosures about specific expense categories, including purchases of inventory, employee compensation, depreciation, amortization, and selling expenses. The amendments are effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted, and the amendments may be applied either prospectively or retrospectively. Management is currently evaluating this ASU to determine its impact on the Company's disclosures.

In January 2025, the FASB issued ASU 2025-01, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40). The FASB issued ASU 2024-03 on November 4, 2024. ASU 2024-03 states that the amendments are effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Following the issuance of ASU 2024-03, the FASB was asked to clarify the initial effective date for entities that do not have an annual reporting period that ends on December 31 (referred to as non-calendar year-end entities). Because of how the effective date guidance was written, a non-calendar year-end entity may have concluded that it would be required to initially adopt the disclosure requirements in ASU 2024-03 in an interim reporting period, rather than in an annual reporting period. The FASB's intent in the basis for conclusions of ASU 2024-03 is clear that all public business entities should initially adopt the disclosure requirements in the first annual reporting period beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027.

In February 2025, the FASB issued ASU 2025-02, Liabilities (Topic 405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122 ("ASU 2025-02"), which amends the Accounting Standards Codification to remove the text of SEC Staff Accounting Bulletin ("SAB") 121, "Accounting for Obligations to Safeguard Crypto-Assets an Entity Holds for its Platform Users," as it has been rescinded by the issuance of SAB 122. ASU 2025-02 is effective immediately and is not expected to have a material impact on the Company's consolidated financial statements.

In April 2025, the FASB issued ASU 2025-04, Compensation — Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer, which revises the definition of "performance condition" for share-based consideration payable to a customer, eliminates the forfeiture policy election for awards granted to customers (unless granted in exchange for a distinct good or service), and clarifies the applicability of the variable consideration constraint. The amendments are effective for annual reporting periods (including interim periods within annual reporting periods) beginning after December 15, 2026, for all entities. Early adoption is permitted for both interim and annual consolidated financial statements that have not yet been issued. The Company is currently evaluating the impact of the adoption of this guidance.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

In July 2025, the FASB issued ASU 2025-05, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which introduces a practical expedient for all entities and an accounting policy election for entities other than public business entities to simplify the estimation of expected credit losses for current accounts receivable and current contract assets arising from revenue contracts under Topic 606. The practical expedient allows entities to assume that current conditions as of the balance sheet date remain unchanged for the remaining life of the asset, thereby reducing the need for complex macroeconomic forecasts. The amendments are effective for annual periods beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this guidance.

In September 2025, the FASB issued ASU 2025-06, Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software ("ASU 2025-06"). ASU 2025-06 modernizes the accounting for internal-use software costs by removing all references to prescriptive software development stages and introducing a single capitalization threshold based on management's authorization of and commitment to fund the project and the probability of its completion. The amendments also incorporate website development cost guidance into Subtopic 350-40 and clarify the related disclosure requirements. The new guidance is effective for annual periods beginning after December 15, 2027, with early adoption permitted. Entities may apply the amendments prospectively, retrospectively, or using a modified transition approach. The Company is currently evaluating the impact of the adoption of ASU 2025-06 on its financial statements and disclosures.

In November 2025, the FASB issued ASU 2025-08, Financial Instruments — Credit Losses (Topic 326): Purchased Loans, which expands the gross-up approach to most acquired loans. Effective for fiscal years beginning after December 15, 2026. Early adoption permitted. The Company is evaluating the impact.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. Effective for fiscal years beginning after December 15, 2029. Early adoption permitted. The Company is evaluating the impact.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. Effective for interim periods within fiscal years beginning after December 15, 2028. Early adoption permitted. The Company is evaluating the impact.

In December 2025, the FASB issued ASU 2025-13, *Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract*. Effective for fiscal years beginning after December 15, 2026. Early adoption permitted. The Company is evaluating the impact.

Other accounting standards that have been issued by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on, or are unrelated to, its consolidated financial condition, results of operations, cash flows or disclosures.

NOTE 3 — SHORT TERM INVESTMENT

As of December 31, 2025 and 2024, the Company's short term investment amounted to $24,454,701 and $18,535,354, respectively. During the year ended December 31, 2025, the Company purchased bank management products in a total amount of $23,652,174 (RMB170,000,000). As of December 31, 2025, the fair value of the Company's bank management products was $24,454,701 (RMB171,014,172).

NOTE 4 — CONCENTRATION ON REVENUES AND COST OF GOODS SOLD

Concentration of major customers and suppliers:

	For the years ended December 31,			
	2025		2024	
Major customers representing more than 10% of the Company's revenues				
Company A	$ 13,665,436	15.07%	$ 11,908,185	14.19%
Company B	9,112,940	10.05%	10,021,669	11.94%
Total Revenue	**$ 22,778,376**	**25.12%**	**$ 21,929,854**	**26.13%**

	As of			
	December 31, 2025		December 31, 2024	
Major customers of the Company's accounts receivable, net				
Company A	1,939,540	11.24%	1,631,916	10.33%
Company B	1,766,799	10.24%	—	—%
Company C	1,745,719	10.12%	2,018,589	12.78%
Company D	1,380,095	8.00%	985,379	6.24%
Company E	799,392	4.63%	1,008,343	6.38%
Company F	723,683	4.19%	409,073	2.59%
Company G	717,674	4.16%	546,310	3.46%
Total	**$ 9,072,902**	52.58%	**$ 6,599,610**	41.78%

Accounts receivable from the Company's major customers accounted for 52.58% and 41.78% of total accounts receivable balances as of December 31, 2025 and December 31, 2024, respectively.

There was no supplier representing more than 10% of the Company's total purchases for the years ended December 31, 2025 and 2024, respectively.

NOTE 5 — ACCOUNTS RECEIVABLE

Accounts receivable is net of allowance for expected credit losses.

	As of	
	December 31, 2025	December 31, 2024
Accounts receivable	$ 17,272,509	$ 15,796,423
Less: allowance for expected credit losses	(16,030)	—
Accounts receivable, net	**$ 17,256,479**	**$ 15,796,423**

Changes in the allowance for expected credit losses are as follows:

	For the Years Ended December 31,	
	2025	2024
Beginning balance	**$ —**	**$ 867,865**
Additional provision charged to expense	15,596	—
Reversal of provision charged to expense	—	(856,311)
Effect of foreign exchange change	434	(11,554)
Ending balance	**$ 16,030**	**$ —**

NOTE 6 — INVENTORIES, NET

As of December 31, 2025 and 2024, inventories consisted of the following

	As of	
	December 31, 2025	December 31, 2024
Raw materials	$ 10,165,798	$ 9,686,506
Revolving material	1,172,449	1,096,125
Consigned processing material	28,671	27,998
Work-in-progress	2,334,681	1,739,535
Finished goods	12,290,156	11,369,347
Less: inventory impairment	(1,614,719)	(541,421)
Inventories, net	**$ 24,377,036**	**$ 23,378,090**

Changes in the inventory reserves are as follows:

	For the Years Ended December 31,	
	2025	2024
Beginning balance	$ 541,421	$ 638,932
Inventory write-downs	1,042,942	—
Carry forward	—	(88,966)
Effect of foreign exchange change	30,356	(8,545)
Ending balance	$ 1,614,719	$ 541,421

NOTE 7 — NOTES RECEIVABLE

	As of	
	December 31, 2025	December 31, 2024
Bank notes receivable:	$ 12,547,551	$ 21,377,522
Commercial notes receivable	2,156,528	1,359,178
Total	**$ 14,704,079**	**$ 22,736,700**

Bank notes and commercial notes are means of payment from customers for the purchase of the Company's products and are issued by financial institutions or business entities, respectively, that entitle the Company to receive the full nominal amount from the issuers at maturity, which bear no interest and generally range from three to nine months from the date of issuance. As of December 31, 2025, the Company pledged notes receivable for an aggregate amount of $3.43 million to Bank of Hangzhou as a means of security for issuance of bank acceptance notes in an aggregate amount of $2.47 million. As of December 31, 2024, the Company pledged notes receivable for an aggregate amount of $13.85 million to Bank of Hangzhou as a means of security for issuance of bank acceptance notes in an aggregate amount of $12.86 million. The Company expects to collect notes receivable within 6 months after the issuance date of bank acceptance notes.

Due to the short term, high-quality credit rating of these commercial banks and no losses have occurred in history, for the years ended December 31, 2025 and 2024, the Company had no allowance for expected credit losses for notes receivable.

NOTE 8 — PROPERTY, PLANT AND EQUIPMENT AND CONSTRUCTION IN PROGRESS

(a) As of December 31, 2025 and December 31, 2024, property, plant and equipment consisted of the following:

	As of	
	December 31, 2025	December 31, 2024
Buildings	$ 11,619,695	$ 11,132,258
Machinery	23,471,775	22,220,209
Motor vehicles	342,931	327,514
Electronic equipment	289,246	242,630
Total property plant and equipment, at cost	**35,723,647**	**33,922,611**
Less: accumulated depreciation	(23,834,500)	(20,787,963)
Property, plant and equipment, net	**$ 11,889,147**	**$ 13,134,648**
Construction in process	—	5,886
Total	**$ 11,889,147**	**$ 13,140,534**

For the years ended December 31, 2025 and 2024, depreciation expense amounted to $2.25 million and $2.06 million, respectively, of which $1.14 million and $1.27 million, respectively, was included in cost of revenue and inventories, and the remainder was included in general and administrative expense, respectively.

For the years ended December 31, 2025 and 2024, $0.01 million and $0.39 million of construction in progress were converted into property, plant and equipment.

NOTE 9 — LAND USE RIGHTS, NET

Land use rights consisted of the following:

	As of	
	December 31, 2025	December 31, 2024
Land use rights, cost	$ 4,399,566	$ 4,215,007
Less: Accumulated amortization	(1,074,378)	(945,008)
Land use rights, net	**$ 3,325,188**	**$ 3,269,999**

Estimated future amortization expense is as follows as of December 31, 2025:

Years ending December 31,	Amortization expense
2026	$ 85,611
2027	85,611
2028	85,611
2029	85,611
2030	85,611
Thereafter	2,897,133
Total	**$ 3,325,188**

NOTE 10 — FIXED DEPOSITS

As of December 31, 2025 and 2024, fixed deposits consisted of the following:

	As of	
	December 31, 2025	December 31, 2024
Three-year bank deposit-current	$ 2,966,386	$ —
Three-year bank deposit-non current	4,421,828	4,130,514
Total	**$ 7,388,214**	**$ 4,130,514**

All fixed deposits were deposited in local banks in the PRC, each with a deposit term of three years. As of December 31, 2025, the Company had four outstanding term deposits with the following maturity dates and annual interest rates:

(1) approximately $1.50 million with China Zheshang Bank, maturing on February 17, 2026, bearing interest at 3.25% per annum;

(2) approximately $1.48 million with China Zheshang Bank, maturing on June 27, 2027, bearing interest at 2.60% per annum;

(3) approximately $2.95 million with China Zheshang Bank, maturing on September 27, 2027, bearing interest at 2.40% per annum;

(4) approximately $1.47 million with Bank of Ningbo, maturing on September 20, 2026, bearing interest at 3.00% per annum.

NOTE 11 — NOTES PAYABLE

	As of	
	December 31, 2025	December 31, 2024
Bank acceptance notes	$ 12,759,720	$ 19,366,241
Total	**$ 12,759,720**	**$ 19,366,241**

The interest-free notes payable, ranging from six months to one year from the date of issuance, were secured by $0.07 million and $1.95 million of restricted cash and $3.43 million and $13.85 million of notes receivable as of December 31, 2025 and 2024, respectively.

All the notes payable are subject to bank charges of 0.05% of the principal amount as commission, included in the financial expenses in the statement of operations, on each loan transaction. The notes payable bears no interests.

NOTE 12 — ACCOUNTS PAYABLE

Accounts payable are summarized as follow:

	As of	
	December 31, 2025	December 31, 2024
Procurement of Materials	$ 25,213,713	$ 22,804,612
Infrastructure& Equipment	113,793	209,899
Freight fee	277,411	88,433
Total	**$ 25,604,917**	**$ 23,102,944**

NOTE 13 — OTHER CURRENT LIABILITIES

Other current liabilities are summarized as follow:

	As of	
	December 31, 2025	December 31, 2024
Employee payables	909,168	1,049,994
Other tax payables	178,399	272,632
Other payable*	248,565	834,753
Accrued expenses	301,134	177,566
Accrued after-sales service fee	1,304,605	1,650,063
Total	**$ 2,941,871**	**$ 3,985,008**

* Other payables mainly consist of utility expenses and consulting fee.

NOTE 14 — DEFERRED REVENUE

Deferred revenue is summarized as follow:

	As of	
	December 31, 2025	December 31, 2024
Subsidy	1,083,784	1,263,180
Total	**$ 1,083,784**	**$ 1,263,180**

Changes in the deferred revenue are as follows:

	For the Years Ended December 31,	
	2025	2024
Beginning balance	$ 1,263,180	$ 1,529,831
Recognized as revenue during the year	(228,357)	(228,097)
Effect of foreign exchange change	48,961	(38,554)
Ending balance	$ 1,083,784	$ 1,263,180

Subsidy mainly consists of an incentive granted by the Chinese government to encourage transformation of fixed assets in China and other miscellaneous subsidy from the Chinese government. As of December 31, 2025, grant income decreased by $0.18 million, as compared to December 31, 2024. The change was mainly due to timing of incurring qualifying expenses.

NOTE 15 — LEASES

The Company leases its assembly site under operating leases, with initial terms of 5.58 years. Usually within four months prior to the expiration date of a lease, the Company is required to notify the lessor and has a priority to continue renting the lease property if a lessor intends to lease property. The lease itself does not have restrictions or covenants. Any damage, if made by the lessee, to the property and equipment within the property has to been fixed or reimbursed by the lessee. As of December 31, 2025, this lease was terminated and no longer has any right-of-use asset or lease liability outstanding.

NOTE 15 — LEASES (cont.)

Supplemental balance sheet information related to leases as of December 31, 2025 and 2024 is as follows:

	As of	
	December 31, 2025	December 31, 2024
Assets:		
Right-of-use assets	$ —	$ 1,624,290
Liabilities:		
Lease liabilities	$ —	$ 516,673
Lease liabilities	—	1,167,941
Total operating lease liabilities	**$ —**	**$ 1,684,614**
Lease term and discount rate		
Weighted average remaining lease term (in years)	—	2.92
Weighted average discount rate	—	4.36

The following summarizes the components of operating lease expense and provides supplemental cash flow information for operating leases:

	For the years ended December 31,	
	2025	2024
Components of lease expense:		
Operating lease expense	$ 254,594	$ 419,315
Total lease expense	$ 254,594	$ 419,315

NOTE 16 — WARRANT LIABILITY

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in FASBASC 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815. The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own ordinary shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognized as a non-cash gain or loss on the statements of operations.

In connection with the registered direct offering closed on July 27, 2022, the Company issued to an investor a warrant to purchase up to 4,530,000 ordinary shares at an exercise price of $4.49 per share. The warrant became exercisable on January 27, 2023 and will expire on January 26, 2028.

NOTE 16 — WARRANT LIABILITY (cont.)

The warrants meet the definition of a derivative under FASB ASC 815, as the Company cannot avoid a net cash settlement under certain circumstances. The fair value of the warrant liabilities was measured using a Black — Scholes model. Significant inputs into the model as of the reporting period begin remeasurement dates, and as of the reporting period end remeasurement dates are as follows:

	Ordinary Share Warrants December 31, 2025	Ordinary Share Warrants December 31, 2024
Share price	$ 0.61	$ 1.94
Exercise price	$ 4.49	$ 4.49
Expected term (years)	1.04	1.54
Risk-free interest rate	3.5%	4.2%
Expected volatility	100.00%	100.00%

The warrants outstanding and fair values at each of the respective valuation dates are summarized below:

	As of	
	December 31, 2025	December 31, 2024
Number of ordinary share warrants	4,530,000	4,530,000
Fair value of the warrants	$ 70,910	$ 2,338,223

The fair value of the warrants was classified as a liability of $2,338,223 as of December 31, 2024. For the year ended December 31, 2025, the Company recognized a gain of $2,267,313 for the investor warrant from the change in fair value of the warrant liability. As a result, the warrant liability is carried on the consolidated balance sheets at the fair value of $70,910 for the investor warrant, collectively, as of December 31, 2025.

NOTE 17 — SHAREHOLDERS' EQUITY

Preferred Shares — The Company is authorized to issue an unlimited number of no par value preferred shares, divided into five classes, Class A through Class E, each with such designation, rights and preferences as may be determined by a resolution of the Company's board of directors to amend the Memorandum and Articles of Association to create such designations, rights and preferences. The Company has five classes of preferred shares to give the Company flexibility as to the terms on which each class is issued. All shares of a single class must be issued with the same rights and obligations. Accordingly, starting with five classes of preferred shares will allow the Company to issue shares at different times on different terms. As of December 31, 2025 and December 31, 2024, there were no preferred shares designated, issued or outstanding.

Ordinary Shares — The Company is authorized to issue an unlimited number of no par value ordinary shares. Holders of the Company's ordinary shares are entitled to one vote for each share. As of December 31, 2025 and 2024, there were 17,394,226 and 13,594,530 ordinary shares issued and outstanding, respectively.

On April 17, 2025, the Company granted a total of 997,300 and 2,802,396 ordinary shares to its key employees under the Company's 2020 Equity Incentive Plan and 2021 Equity Incentive Plan, respectively.

Warrants — Redeemable warrants sold as part of the units in the Company's initial public offering, or the Public Warrants (together with the Private Warrants (as defined below), the "Warrants") may only be exercised for a whole number of shares. No fractional shares were issued upon exercise of the Public Warrants. The Public Warrants were exercisable from October 24, 2019 to October 24, 2024, a total of five years from the consummation of the Business Combination.

NOTE 17 — SHAREHOLDERS' EQUITY (cont.)

Private warrants included (i) the 282,000 warrants underlying the units issued to Greenland Asset Management Corporation (the "Sponsor") and Chardan Capital Markets, LLC ("Chardan") in a private placement in connection with our initial public offering ("Private Unit Warrants"), and (ii) 120,000 warrants held by Chardan upon the exercise of its unit purchase option to purchase 120,000 units in March 2021 ("Option Warrants," together with Private Unit Warrants, the "Private Warrants"). The Private Warrants are identical to the Public Warrants underlying the units sold in the Initial Public Offering, except that the Private Warrants and the ordinary shares issuable upon the exercise of the Private Warrants are not transferable, assignable or saleable until 30 days after the completion of a Business Combination, subject to certain limited exceptions. Additionally, the Private Warrants were exercisable on a cashless basis and are non-redeemable so long as they are held by the initial purchasers or their permitted transferees. If the Private Warrants were held by someone other than the initial purchasers or their permitted transferees, the Private Warrants would be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

As of December 31, 2025, there were no warrants outstanding.

Subsequent Event — Dual-Class Share Structure

As further described in Note 24 — Subsequent Events, on January 30, 2026, the Company's shareholders approved the implementation of a dual-class share structure. Upon effectiveness of such approval, the Company's existing ordinary shares were re-designated as follows:

Shareholder	Shares Held as of December 31, 2025	Reclassification	Shares Held After January 30, 2026
Trendway Capital Limited	6,011,740 Ordinary Shares	→ Class B Ordinary Shares	6,011,740 Class B Ordinary Shares
All other shareholders	11,382,486 Ordinary Shares	→ Class A Ordinary Shares	11,382,486 Class A Ordinary Shares
Total	17,394,226 Ordinary Shares	—	17,394,226 Ordinary Shares

The following table sets forth the pro forma effect of the Reorganization on the Company's share capital as of December 31, 2025, as if the Reorganization had been effected on such date (unaudited):

	As of December 31, 2025	Pro Forma (Unaudited)
Ordinary shares	17,394,226 Shares	—
Class A Ordinary Shares	—	11,382,486 Shares
Class B Ordinary Shares	—	6,011,740 Shares
Total shareholders' equity	67,457,279	67,457,279

The pro forma information is for illustrative purposes only and does not reflect the actual share capital structure as of December 31, 2025. The Reorganization will be reflected in the Company's consolidated financial statements beginning in the first quarter of 2026.

As of January 30, 2026, all Class B Ordinary Shares were held by Trendway Capital Limited, an entity controlled by Mr. Peter Zuguang Wang, the Chairman of the Company's Board of Directors. Class B Ordinary Shares carry 25 votes per share, while Class A Shares carry one vote per share. Both classes have identical economic rights.

NOTE 18 — EARNINGS PER SHARE

The Company reports earnings per share in accordance with the provisions of the FASB's related accounting standard. This standard requires presentation of basic and diluted earnings per share in conjunction with the disclosure of the methodology used in computing such earnings per share. Basic earnings per share excludes dilution, but includes vested restricted stocks and is computed by dividing income available to shareholders by the weighted average ordinary shares outstanding during the period. Diluted earnings per share takes into account the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised and converted into ordinary shares.

The following is a reconciliation of the basic and diluted earnings per share computation:

	Years ended December 31,	
	2025	2024
Net income attributable to the Greenland Technologies Holding Corporation and subsidiaries	$ 4,931,543	$ 14,066,972
Weighted average basic and diluted computation shares outstanding:		
Weighted average shares used in basic computation	**16,145,011**	**13,594,530**
Diluted effect of stock options and warrants	—	—
Weighted average shares used in diluted computation	**16,145,011**	**13,594,530**
Basic and diluted net income per share	$ 0.31	$ 1.03

For the years ended December 31, 2025 and 2024, 4,530,000 shares underlying outstanding warrants to an investor were excluded from the calculation of diluted loss per share as the warrants were anti-dilutive. The exercise price of the warrants is higher than the average price of ordinary shares during the periods, so the warrants is "out-of-the-money" and result in an anti-dilutive effect on earnings per share.

NOTE 19 — GEOGRAPHICAL SALES AND SEGMENTS

All of the Company's operations are considered by the chief operating decision maker to be aggregated in one reportable operating segment.

Information for the Company's sales by geographical area for the years ended December 31, 2025 and 2024 are as follows:

	For the years ended December 31,	
	2025	2024
Domestic Sales	$ 88,734,230	$ 82,249,656
International Sales	1,959,777	1,695,005
Total	**$ 90,694,007**	**$ 83,944,661**

NOTE 20 — INCOME TAXES

The Company is subject to income taxes on an entity basis on income arising in or derived from the tax jurisdiction in which each entity is domiciled.

British Virgin Islands

Greenland was incorporated in the British Virgin Islands and is not subject to tax on income or capital gains under current British Virgin Islands law. In addition, upon payments of dividends by these entities to their shareholders, no British Virgin Islands withholding tax will be imposed.

NOTE 20 — INCOME TAXES (cont.)

United States

HEVI and Greenland Holding are subject to U.S. federal tax laws. On December 22, 2017, the "Tax Cuts and Jobs Act" was enacted. Under its provisions, the U.S. corporate tax rate decreased from 34% to 21%. Accordingly, we have remeasured our deferred tax assets on our net operating loss carry forwards in the U.S. at the lower enacted tax rate of 21%. However, this remeasurement had no effect on our income tax expense as we have provided a 100% valuation allowance on our deferred tax assets previously.

Hong Kong

Zhongchai Holding and Hengyu Capital was incorporated in Hong Kong and is subject to Hong Kong profits tax at a tax rate of 16.5%. Since Zhongchai Holding and Hengyu Capital had no taxable income during the reporting period, it has not paid Hong Kong profits taxes. Zhongchai Holding and Hengyu Capital has not recognized an income tax benefit for its operating losses in Hong Kong because the Company does not expect to commence active operations in Hong Kong.

PRC

Zhejiang Zhongchai and Hangzhou Greenland are governed by the income tax laws of the PRC and the income tax provision in respect to operations in the PRC is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. Hangzhou Greenland, the wholly owned subsidiary of Zhongchai Holding, is subject to the 25% standard income tax rate. Zhejiang Zhongchai obtained a "high-tech enterprise" status near the end of the fiscal year of 2022. The "high-tech enterprise" status is reevaluated by relevant Chinese government agencies every three years. Zhejiang Zhongchai's current "high-tech enterprise" will be reevaluated near the end of 2028. Such status allows Zhejiang Zhongchai to enjoy a reduced statutory income tax rate of 15%, rather than the standard PRC corporate income tax rate of 25%.

For the years ended December 31, 2025 and 2024, the components of income tax expense consist of the following:

	For the years ended December 31,	
	2025	**2024**
Current income tax	$ 3,513,237	$ 1,692,244
Deferred income tax	(1,415)	(179,486)
Total Income tax	**$ 3,511,822**	**$ 1,512,758**

Below is a reconciliation of the statutory tax rate to the effective tax rate:

	For the years ended December 31,	
	2025	**2024**
PRC statutory income tax rates*	25.00%	25.00%
Permanent difference	—%	—%
Super deduction on eligible R&D expenditure	(6.72)%	(3.76)%
"High-tech enterprise" tax deduction	(17.67)%	(10.67)%
Effect of different tax jurisdiction	0.53%	(1.20)%
Effect of adjusting income tax for prior periods	(1.46)%	(0.62)%
Effect of internal withholding of income tax and internal offsetting	32.09%	—
Change in valuation allowance	(2.77)%	0.33%
Actual income tax rate	29.00%	9.08%

* As the Company's business operation mainly concentrated in PRC, the Company determined to apply PRC statutory tax rate in reconciliation of the statutory tax rate to the effective tax rate.

NOTE 20 — INCOME TAXES (cont.)

Deferred tax assets consist of the following:

	As of	
	December 31, 2025	December 31, 2024
Allowance	$ 117,969	$ 39,236
Accrued expense	328,644	387,249
Net operating losses carried forward in the PRC	389,035	278,989
Net operating losses carried forward in the U.S.	2,507,106	1,858,265
Net operating losses carried forward in the Hong Kong	522	150,280
Totals	3,343,276	2,714,019
Less: Valuation allowance	(2,896,663)	(2,287,534)
Deferred tax assets, net	**$ 446,613**	**$ 426,485**

The Company has recorded nil unrecognized benefit as of December 31, 2025 and December 31, 2024, respectively. On the information currently available, the Company does not anticipate a significant increase or decrease to its unrecognized benefit within the next 12 months.

NOTE 21 — COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Company has leased premises for its assembly site under operating leases since June 2022. Rent expense is recognized on a straight-line basis over the terms of the operating leases accordingly and the Company records the difference between cash rent payments and the recognition of rent expense as a deferred rent liability.

The following are the aggregate non-cancellable future minimum lease payments under operating leases as of December 31, 2025:

For the year ending December 31,	Operating Leases
2026	$ 14,085
Total lease payments	**$ 14,085**

NOTE 22 — RELATED PARTY TRANSACTIONS

(a) Names and Relationship of Related Parties:

	Existing Relationship with the Company
Cenntro Holding Limited	Under common control of Peter Zuguang Wang
Cenntro Smart Manufacturing Tech. Co., Ltd.	Under common control of Peter Zuguang Wang
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)	Under common control of Peter Zuguang Wang
Peter Zuguang Wang	Chairman of the Board of Directors of the Company
Xinchang County Jiuhe Investment Management Partnership (LP)	Under control of Mr. Mengxing He, the General Manager of Zhejiang Zhongchai
Xinchang County Jiuxin Investment Management Partnership (LP)	Under control of Mr. Mengxing He, the General Manager and one of the directors of Zhejiang Zhongchai/Non-controlling interest of Zhejiang Zhongchai
Raymond Z. Wang	Chief Executive Officer and President
Cenntro Inc.	Under common control of Peter Zuguang Wang
Cenntro Enterprise Limited	Under common control of Peter Zuguang Wang

NOTE 22 — RELATED PARTY TRANSACTIONS (cont.)

(b) Summary of Balances with Related Parties:

	As of	
	December 31, 2025	**December 31, 2024**
Due to related parties:		
Cenntro Smart Manufacturing Tech. Co., Ltd.[1]	$ —	$ 2,534
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)[2]	94,442	94,442
Cenntro Holding Limited[3]	1,341,627	1,341,627
Peter Zuguang Wang[4]	2,392,961	2,392,961
Xinchang County Jiuhe Investment Management Partnership (LP)[5]	—	5,205,979
Xinchang County Jiuxin Investment Management Partnership (LP)[6]	1,429,981	—
Raymond Z. Wang[7]	16,000	—
Total	**$ 5,275,011**	**$ 9,037,543**

All balances of due to related parties as of December 31, 2025 and 2024 were unsecured, interest-free and had no fixed terms of repayments.

The balance of due to related parties as of December 31, 2025 and December 31, 2024 consisted of:

(1) Employee wages paid by Cenntro Smart Manufacturing Tech. Co., Ltd. on the Company's behalf;
(2) Temporary borrowings from Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership);
(3) Total dividend payment of $7.6 million declared by Zhongchai Holding to Cenntro Holding Limited. As of December 31, 2019, the balance was $1.34 million, and no further payments had been made since then;
(4) Payable to Peter Zuguang Wang for capital reduction due to the dissolution of Shanghai Hengyu Business Management Consulting Co., Ltd. on July 10, 2023;
(5) Total dividend payment of $4.7 million declared by Zhejiang Zhongchai to Xinchang County Jiuhe Investment Management Partnership (LP) and refund by Zhejiang Zhongchai; to Xinchang County Jiuhe Investment Management Partnership (LP) of $5.85 million due to its termination of investment in Zhejiang Zhongchai. As of December 31, 2025, the balance was nil;
(6) Total dividend payment of $1.43 million declared by Zhejiang Zhongchai to Xinchang County Jiuxin Investment Management Partnership (LP). As of December 31, 2025, the balance was $1.43 million; and
(7) Temporary borrowings from Raymond Z. Wang.

	As of	
	December 31, 2025	**December 31, 2024**
Due from related parties-current:		
Cenntro Inc.	840,000	—
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)	245,017	235,497
Cenntro Enterprise Limited	21,400	—
Total	**$ 1,106,417**	**$ 235,497**

The balance of due from related parties as of December 31, 2025 and December 31, 2024 consisted of:

Due from Cenntro Inc. was $0.84 million and nil as of December 31, 2025 and December 31, 2024, respectively. The amount of due from this related party represents a loan with an annual interest rate of 7.5% and will mature before April 14, 2026. Pursuant to a supplementary agreement between the parties, the period before April 15, 2025 shall be an interest-free period for the Advanced Funds.

Due from Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership) was $0.25 million as of December 31, 2025 and December 31, 2024. The amount of due from this related party represents a loan with annual interest rate of 4.785%.

NOTE 22 — RELATED PARTY TRANSACTIONS (cont.)

Due from Cenntro Enterprise limited was $0.02 million and nil as of December 31, 2025 and December 31, 2024, respectively. The amount of due from this related party represents expenses paid on behalf of the related party.

(c) Summary of Related Party Dividend Payment:

A summary of dividend payment declared by Zhejiang Zhongchai to related parties for the years ended December 31, 2025 and 2024 are listed below:

	For the years ended December 31,	
	2025	2024
Dividend payment to related parties:		
Xinchang County Jiuxin Investment Management Partnership (LP)	2,221,760	—
Xinchang County Jiuhe Investment Management Partnership (LP).	—	5,934,100

NOTE 23 — FINANCIAL STATEMENT RECLASSIFICATION

Certain balances in the prior period consolidated financial statements have been reclassified for comparison purposes to conform to the presentation in the current period consolidated financial statements. These reclassifications had no effect on the reported results of operations or financial position.

NOTE 24 — SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, which is March 23, 2026. All subsequent events requiring recognition as of December 31, 2025 have been incorporated into these financial statements, and there are no other subsequent events that require disclosure in accordance with FASB ASC Topic 855.

On January 30, 2026, the Company's shareholders approved two resolutions to implement a dual-class share structure (the "Reorganization"), effective immediately upon such approval:

1. Share Capital Reorganization Proposal: To implement a dual-class structure for the Company's ordinary shares in accordance with Clause 6.4 of the Company's Memorandum of Association, pursuant to which the existing ordinary shares of no par value were re-designated into:

Class A Ordinary Shares: No par value, each carrying one (1) vote per share.

Class B Ordinary Shares: No par value, each carrying twenty-five (25) votes per share.

2. Share Re-classification Proposal:

All issued ordinary shares held by Trendway Capital Limited (an entity controlled by Mr. Peter Zuguang Wang, Chairman of the Board) be reclassified as Class B Ordinary Shares.

All remaining outstanding ordinary shares be reclassified as Class A Ordinary Shares.

NOTE 24 — SUBSEQUENT EVENTS (cont.)

Key Terms of the Reorganization

Item	Description
Effective Date	January 30, 2026
Legal Authority	Clause 6.4 of the Company's Memorandum of Association
Class A Ordinary Shares	One (1) vote per share; not convertible into Class B Ordinary Shares.
Class B Ordinary Shares	Twenty-five (25) votes per share; convertible into Class A Ordinary Shares at any time at the election of the holder; automatically converts into Class A Ordinary Shares upon transfer to a non-affiliate.
Economic Rights	Both classes have identical rights to dividends, distributions, and liquidation proceeds.
Authorized Shares	Unlimited number of authorized shares for both classes

Allocation of Shares

Upon effectiveness of the Reorganization, Trendway Capital Limited held all Class B Ordinary Shares, and all remaining shareholders held Class A Ordinary Shares.

The Reorganization constitutes a reclassification within equity in accordance with ASC 505-20 and does not affect total shareholders' equity, assets, liabilities, or results of operations.

On January 28, 2026, the Company entered into an underwriting agreement with Joseph Stone Capital, LLC, as sole underwriter, pursuant to which the Company agreed to sell 5,083,330 units (the "Units") at a public offering price of $1.20 per Unit. Each Unit consisted of one (1) ordinary share of the Company and four-fifths (4/5) of one warrant (each whole warrant, a "January 2026 Warrant"), with each whole January 2026 Warrant exercisable for one (1) ordinary share at an exercise price of $1.20 per share, or by means of a zero price exercise, and expiring three (3) years from the date of issuance. The ordinary shares and January 2026 Warrants included in the Units were immediately separable and were issued separately. The offering closed on January 29, 2026, and the Company received gross proceeds of approximately $6.1 million, before deducting underwriting discounts and other offering expenses.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls, as defined under Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act, are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this Report, is recorded, processed, summarized, and reported within the time specified in the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Chief Executive Officer and Acting Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

As of December 31, 2025, the end of the fiscal year covered by this Report, our management, under the supervision and with the participation of our Chief Executive Officer and Acting Chief Financial Officer, performed an evaluation of the effectiveness of our disclosure controls and procedures.

Based on the evaluation, our Chief Executive Officer and Acting Chief Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were ineffective. They reached this conclusion due to the presence of material weakness in internal controls over financial reporting as described below. Greenland's management anticipates that the Company's disclosure controls and procedures will remain ineffective until such material weaknesses are remediated.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such item is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, for the Company. Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of its management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Under the supervision and with the participation of our Chief Executive Officer, we conducted an evaluation on the effectiveness of our internal control over financial reporting as of December 31, 2025 based on the framework set forth in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the evaluation under this framework, Greenland's management concluded that the Company's internal control over financial reporting was ineffective as of the evaluation date due to the following material weakness:

- The lack of sufficient and competent financial reporting and accounting personnel with appropriate knowledge of U.S. GAAP and SEC reporting requirements to prepare consolidated financial statements and related disclosures in accordance with U.S. GAAP and SEC reporting requirements.

Based on the above factors, management concluded that our insufficient knowledge of U.S. GAAP and SEC rules represents a material weakness in the Company's internal control over financial reporting as of December 31, 2025.

As a result, the Company has developed a remedial plan to strengthen its accounting and financial reporting functions. To strengthen the Company's internal control over financial reporting, the Company expects to implement the following remedial actions during fiscal year ending December 31, 2026:

- developing and formalizing of key accounting and financial reporting policies and procedures;
- recruiting more financial reporting and accounting personnel who have adequate U.S. GAAP knowledge;

- initiating a targeted training program for key accounting personnel, focusing on complex U.S. GAAP topics and SEC disclosure requirements;
- planning to acquire additional resources to strengthen the financial reporting function and set up a financial and system control framework; and
- implementing a new review protocol requiring that all non-recurring or complex transactions be reviewed by both management and the external consultants prior to finalization, to ensure proper accounting treatment and disclosure in accordance with U.S. GAAP.

Inherent Limitations on Disclosure Controls and Procedures and Internal Control over Financial Reporting

The effectiveness of any system of internal control over financial reporting, including ours, is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting, including ours, no matter how well designed and operated, can only provide reasonable, not absolute assurances. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but cannot assure you that such improvements will be sufficient to provide us with effective internal control over financial reporting.

Notwithstanding the material weakness in our internal control over financial reporting, the consolidated financial statements included in this Report fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States of America.

Attestation Report of the Registered Public Accounting Firm

This Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting because we do not qualify as either a large accelerated filer nor an accelerated filer. Our management's report was not subject to attestation by our independent registered public accounting firm pursuant to the rules of the SEC that permit us to provide only management's report in this Report.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting during the fiscal year ended December 31, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth information regarding each of our current directors and executive officers:

Name	Age	Position
Peter Zuguang Wang[5]	71	Chairman of the Board of Directors
Raymond Z. Wang	41	Chief Executive Officer and President
Chenyang Wang	38	Acting Chief Financial Officer
Ming Zhao[1][4]	49	Independent Director
Charles Athle Nelson[1][2][3][4]	73	Independent Director
Zheng He[2][3][4]	57	Independent Director
Bo (Frank) Shen[1][2][3][5]	56	Independent Director

(1) Member of the audit committee
(2) Member of the compensation committee
(3) Member of the nominating and corporate governance committee
(4) Class I director
(5) Class II director

Mr. Peter Zuguang Wang has served as the chairman of the board of directors of the Company since October 24, 2019. In addition, Mr. Wang has served as Zhongchai Holding's sole director since its inception in April 2009. He has also served as the Chief Executive Officer of Cenntro Automotive Group, a company that designs and manufactures all-electric utility vehicles for sale in the United States, Europe and the PRC, since February 2013. Mr. Peter Wang has served as the president of Shangri-La Plantation LLC since August 2002. Mr. Peter Wang has served as the chief executive officer and chairman of the board of directors of Cenntro Inc., a Nasdaq listed company (Nasdaq: CENN) since its inception in May 2017. Mr. Wang has also served as the managing director of Cenntro Holding Limited and Cenntro Enterprises Limited since December 2005 and October 2020, respectively. Mr. Wang earned his dual Bachelor of Science degrees in Mathematics and Computer Science and Master of Science degree in Electrical Engineering from University of Illinois at Chicago in 1983. He received a Master of Business Administration degree in Marketing from Nova South-eastern University. Mr. Peter Wang's extensive experience in the electric vehicle industry, his leadership of multiple companies in this sector, and his technical background in engineering and business administration make him well-qualified to serve as the chairman of the board of directors and provide strategic guidance to the Company in light of its business operations in the electric vehicle market.

Mr. Raymond Z. Wang has served as our chief executive officer and president since October 2019, the chief executive officer of Zhongchai Holding since April 2019, and the chief executive officer of HEVI since January 2020. From February 2019 to November 2020, Mr. Wang served as Chairman of the board of ONE Project, a non-profit organization that unifies local communities to collectively tackle social issues such as hunger. From November 2017 to March 2019, Mr. Wang was the President of Devirra Corporation, a warehousing management and logistic company. From August 2007 to July 2017, Mr. Wang worked as the Vice President at Bank of America Merrill Lynch, developing a client acquisition channel for an online platform. From December 2005 to March 2007, Mr. Wang served as the Financial Advisor at Cowan Financial Group, a full-service financial planning and consulting firm, in New York. Mr. Wang received his Bachelor's degree in Economics from Rutgers University.

Ms. Chenyang Wang has served as our Acting Chief Financial Officer since April 2025. Ms. Wang served as a manager in the securities affairs department at a publicly listed agriculture services company from May 2018 to February 2025. Ms. Wang served as an investment manager at Zhejiang Yangzhechen Asset Management Co., Ltd. from October 2016 to April 2018. From October 2010 to April 2012, Ms. Wang worked as a research analyst at Zhejiang Hanbo Investment Management Co., Ltd., where she was responsible for investment analysis-related work. Ms. Wang received a Bachelor's degree in Financial Engineering from South-Central Minzu University in China in 2011, a Master's degree in Finance from Nankai University in China in 2018, and a Bachelor's degree in Financial Management from Renmin University of China in 2021.

Mr. Ming Zhao has served as our independent director since December 2020. Mr. Zhao has served as the chief financial officer at China Jo-Jo Drugstores Inc (Nasdaq: CJJD) since August 2011. Mr. Zhao is a licensed certified public accountant. He received his bachelor's degree in accounting from Central University of Finance and Economic

in Beijing in July 1999 and his master's degree in professional accounting from the University of Washington in December 2002. Mr. Zhao's experience as chief financial officer of a publicly listed company, his credentials as a licensed certified public accountant, and his expertise in financial reporting and accounting matters qualify him to serve as an independent director and contribute valuable financial oversight to the board of directors.

Mr. Charles Athle Nelson has served as our independent director since December 2020. Mr. Nelson has been active in the capital markets for the past 35 years. He began his financial career as a market representative with American International Group and in 1979 joined Dean Witter Reynolds as a Financial Advisor, working with high net worth and institutional clients. In 1980, he joined Drexel Burnham and Lambert, and subsequently, at Ladenberg, Thalmann and then at Auerbach Pollack and Richardson originated equity and investment banking transactions. Over the last 20 years, Mr. Nelson has been involved with financing companies in the fintech, healthcare and bio-pharma spaces through private equity and public financing including listings on the Nasdaq and the NYSE. Mr. Nelson holds a bachelor's degree in arts from Villanova University and an MBA from Rutgers University. Mr. Nelson's 35 years of experience in capital markets, his expertise in equity and investment banking transactions, and his knowledge of public company financing and listings on major exchanges qualify him to serve as an independent director and provide valuable guidance on the Company's capital raising activities and public market strategies.

Mr. Zheng He has served as our director since December 2024. Since April 2018, Mr. Zheng He has served as the vice president of Hengyuan Technology Group in China, responsible for overseeing the company's asset management practices, mergers and acquisitions, and project investments. Currently, Mr. Zheng He also serves as the director of Jiangsu Tuniu New Energy Co., Ltd. and Hangzhou Zhaoheng Intelligent Vehicles Co., Ltd., companies specializing in the manufacture and sale of electric vehicles in China. Mr. Zheng He received his bachelor's degree in Industrial and Civil Architecture from Zhejiang University of Technology in China in 1990, and received his master's degree in business administration from Zhejiang University in China in 1999. Mr. He's experience in asset management, mergers and acquisitions, and project investments, together with his current director roles at electric vehicle manufacturing companies in China, provide him with relevant industry knowledge and strategic expertise that qualify him to serve as a director and contribute to the Company's growth initiatives in the electric vehicle sector.

Mr. Bo (Frank) Shen has served as our independent director since December 2020. Mr. Shen has more than 20 years of research and development and operation experience in telecommunication and networking technology. Since March 2013, Mr. Shen has served as an engineer at Mitel Networks, a well-known telecommunications company. Mr. Shen received his bachelor's degree in electrical & computer engineering in 1991 and his master of telecommunication from Zhejiang University. Mr. Shen's more than 20 years of research and development experience in telecommunication and networking technology, and his engineering background, provide him with technical expertise that qualifies him to serve as an independent director and contribute valuable insights on the Company's technology development and operations.

Family Relationships

Mr. Peter Zuguang Wang and Mr. Raymond Z. Wang are father and son, respectively. None of our other directors or executive officers has a family relationship as defined in Item 401 of Regulation S-K.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past ten years:

- been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
- been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;

- been found by a court of competent jurisdiction in a civil action or by the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a) (26) of the Exchange Act), any registered entity (as defined in Section 1(a) (29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Director Independence

Rule 5605 of the Nasdaq Listing Rules requires a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. In addition, the Nasdaq Listing Rules require that, subject to specified exceptions, each member of a listed company's audit, compensation, and nominating and corporate governance committees be independent, that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act, and that compensation committee members also satisfy heightened independence requirements contained in the Nasdaq Listing Rules as well as Rule 10C-1 under the Exchange Act.

Under Nasdaq Rule 5605(a) (2), a director will only qualify as an "independent director" if, in the opinion of our board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of 10A-3 under the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries. When determining the independence of the members of our compensation committee under the heightened independence requirements contained in the Nasdaq Listing Rules and Rule 10C-1 under the Exchange Act, our board of directors is required to consider all factors specifically relevant to determining whether a director has a relationship with us that is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (1) the source of compensation of that director, including any consulting, advisory, or other compensatory fee paid by us to that director; and (2) whether that director is affiliated with our Company, a subsidiary of our Company, or an affiliate of a subsidiary of our Company.

Our board of directors has reviewed the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning his or her background, employment, and affiliations, including family relationships, our board of directors has determined that Mr. Ming Zhao, Mr. Charles Athle Nelson, Mr. Zheng He and Mr. Bo (Frank) Shen are "independent directors" as defined under Rule 5605(a) (2) of the Nasdaq Listing Rules.

Our board of directors also determined that Mr. Ming Zhao, Mr. Charles Athle Nelson, and Mr. Bo (Frank) Shen, who comprise our audit committee, and Mr. Zheng He, Mr. Charles Athle Nelson and Mr. Bo (Frank) Shen, who comprise our compensation committee, satisfy the independence standards for such committees established by the SEC and the Nasdaq Listing Rules, as applicable. In making such determinations, our board of directors considered the relationships that each such non-employee director has with our Company and all other facts and circumstances our board of directors deemed relevant in determining independence, including the beneficial ownership of our share capital by each non-employee director.

Number and Terms of Office of Officers and Directors

The directors of the board of directors consist of two classes, being the class I directors (the "Class I Directors") and the class II directors (the "Class II Directors"). The term of office of the first class of directors, consisting of Mr. Ming Zhao, Mr. Charles Athle Nelson, and Mr. Zheng He, will expire at the annual general meeting in 2026. The term of office of the second class of directors, consisting of Mr. Peter Zuguang Wang and Mr. Bo (Frank) Shen, will expire at the annual general meeting in 2027. Directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the second annual meeting following their election. Except as the BVI Business Companies Act, 2004 (the "Act") or any applicable law may otherwise require, in the interim between an annual general meeting, or general meeting called for the election of directors, and the removal of one or more directors, any vacancy on the board of directors may be filled by the majority vote of the remaining directors.

Each director holds office for the term, if any, fixed by the Resolution of Members or Resolution of Directors appointing him or pursuant to Regulation 9.1 or 9.8 of our amended and restated Memorandum of Association and Articles of Association, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

The minimum number of directors shall be one and there shall be no maximum number of directors.

Board Meetings

No meetings of the board of directors were held during the fiscal year ended December 31, 2025. However, the Board acted by unanimous written consent eight times in lieu of meetings.

Committees of the Company's Board of Directors

Our board of directors has three standing committees: an audit committee, a compensation committee, and a corporate governance committee. All the directors consisting of the audit committee, the compensation committee, and the corporate governance committee are independent.

Audit Committee

We have established an audit committee of the board of directors. Mr. Ming Zhao, Mr. Bo (Frank) Shen and Mr. Charles Athle Nelson serve as members of our audit committee. Mr. Ming Zhao serves as chairman of the audit committee. Under the Nasdaq listing standards and applicable SEC rules, we are required to have three members of the audit committee all of whom must be independent. Mr. Ming Zhao, Mr. Bo (Frank) Shen and Mr. Charles Athle Nelson are independent.

Each member of the audit committee is financially literate, and our board of directors has determined that Mr. Ming Zhao qualifies as an "audit committee financial expert" as defined in applicable SEC rules.

The Company's audit committee will be responsible for, among other things:

- selecting a qualified firm to serve as the independent registered public accounting firm to audit the Company's financial statements;
- helping to ensure the independence and performance of the independent registered public accounting firm;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing, with management and the independent registered public accounting firm, the Company's interim and year-end financial statements;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing the Company's policies on and oversees risk assessment and risk management, including enterprise risk management;
- reviewing the adequacy and effectiveness of internal control policies and procedures and the Company's disclosure controls and procedures;

- reviewing related person transactions; and
- approving or, as required, pre-approving, all audit and all permissible non-audit services, other than de minimis non-audit services, to be performed by the independent registered public accounting firm.

Compensation Committee

Subject to the requirement of law or the Nasdaq listing rules, we have established a compensation committee of the board of directors. The members of our compensation committee are Mr. Zheng He, Mr. Bo (Frank) Shen and Mr. Charles Athle Nelson. Mr. Charles Athle Nelson serves as chairman of the compensation committee. The Company's compensation committee will be responsible for, among other things:

- reviewing, approving and determining the compensation of the Company's officers and key employees;
- reviewing, approving and determining compensation and benefits, including equity awards, to directors for service on the board of directors or any committee thereof;
- administering the Company's equity compensation plans;
- reviewing, approving and making recommendations to the board of directors regarding incentive compensation and equity compensation plans; and
- establishing and reviewing general policies relating to compensation and benefits of the Company's employees.

Compensation Committee Interlocks and Insider Participation

None of the Company's officers currently serves, and in the past year has not served, (i) as a member of the compensation committee or the board of another entity, one of whose officers served on the Company's compensation committee, or (ii) as a member of the compensation committee of another entity, one of whose officers served on our board of directors.

Nominating and Corporate Governance Committee

Subject to the requirement of law or the Nasdaq listing rules, we have established a nominating and corporate governance committee of the board of directors. The members of our nominating and corporate governance committee are Mr. Zheng He, Mr. Bo (Frank) Shen and Mr. Charles Athle Nelson. Mr. Bo (Frank) Shen serves as chairman of the nominating and corporate governance committee. We have adopted a nominating and corporate governance committee charter, which details the principal functions of the nominating and corporate governance committee.

Each of the members of the nominating and corporate governance committee will meet the requirements for independence under the applicable rules and regulations of the SEC and rules of Nasdaq. The nominating and corporate governance committee is responsible for, among other things:

- identifying, evaluating and selecting, or making recommendations to the board of directors regarding, nominees for election to the board of directors and its committees;
- evaluating the performance of the board of directors and of individual directors;
- considering, and making recommendations to the board of directors regarding, the composition of the board of directors and its committees;
- reviewing developments in corporate governance practices;
- evaluating the adequacy of the corporate governance practices and reporting;
- reviewing related person transactions; and
- developing, and making recommendations to the board of directors regarding, corporate governance guidelines and matters.

Code of Ethics

We have adopted a code of ethics that applies to all of our executive officers, directors and employees. The code of ethics codifies the business and ethical principles that govern all aspects of our business. Our code of ethics is filed as an exhibit attached to the Form 8-K we filed with the SEC on October 30, 2019. If we amend or grant a waiver of one or more of the provisions of our code of ethics, we intend to satisfy the requirements under Item 5.05 of Form 8-K regarding the disclosure of amendments to or waivers from provisions of our code of ethics that apply to our principal executive officer, principal financial officer and principal accounting officer by posting the required information on our website at the above address.

Compensation Recovery Policy

We have adopted a compensation recovery policy to provide for the recovery of erroneously-awarded incentive compensation, as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, final SEC rules and applicable listing standards.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires our directors, executive officers, and greater than 10% beneficial owners of any class of our equity securities to file reports of ownership and changes in ownership with the SEC. Directors, executive officers, and greater than 10% shareholders are required by the rules and regulations of the SEC to furnish us with copies of all Section 16(a) reports they file.

Based solely on the Company's review of the copies of such forms it has received and written representations from certain reporting persons, the Company believes that all of its officers, directors and greater than 10% beneficial owners, complied with all Section 16(a) filing requirements applicable to them during the Company's most recently completed fiscal year.

ITEM 11. EXECUTIVE COMPENSATION

Compensation of Executive Officers

The following table presents summary information concerning compensation that was paid for services rendered by our named executive officers during the fiscal years ended December 31, 2025 and 2024.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified deferred compensation earnings ($)	All Other Compensation ($)	Total ($)
Raymond Z. Wang,	2025	200,000	—	—	—	—	—	—	200,000
Chief Executive Officer and President[1]	2024	200,000	—	—	—	—	—	—	200,000
Jing Jin,	2025	—		—	—		—	—	—
Former Chief Financial Officer[2]	2024	150,000	—	—	—	—	—	—	150,000
Chenyang Wang,	2025	37,900	—	—	—	—	—	—	37,900
Acting Chief Financial Officer[3]	2024	—	—	—	—	—	—	—	—

(1) Mr. Wang has served as the Chief Executive Officer and President of the Company since October 24, 2019.
(2) Mr. Jin served as the Chief Financial Officer of the Company since October 24, 2019 to April 18, 2025.
(3) Ms. Chenyang Wang has served as the Acting Chief Financial Officer of the Company since April 19, 2025.

Employment Agreements

On October 24, 2019, the Company entered into an employment agreement with Mr. Raymond Z. Wang and on April 22, 2025, the Company entered into an employment agreement (each an "Employment Agreement," collectively, the "Employment Agreements") with Ms. Chenyang Wang (each an "officer," collectively, "Officers"). The Employment Agreement with Mr. Raymond Z. Wang was filed as an exhibit to the Form 8-K the Company filed with the SEC on October 30, 2019 and the Employment Agreement with Ms. Chenyang Wang was filed as an exhibit to the Form 8-K the Company filed with the SEC on April 23, 2025.

Under the Employment Agreements, each Officer is employed for a specific period. We may terminate the employment with any Officer for cause, at any time, without advance notice or remuneration, for certain acts of the Officer, including, but not limited to, conviction or plea of guilty to a crime, gross negligence, dishonest act that has caused detriment to the Company, or a failure to perform agreed duties. The Company may terminate the employment with the Officer without cause, at any time, upon one-month prior written notice. Upon termination without cause, the Company shall provide certain severance payments and benefits to the executive specified in the Employment Agreements. Mr. Raymond Z. Wang may terminate his Employment Agreement at any time with a one-month prior written notice to the Company, if (1) there is a material reduction in his authority, duties and responsibilities, or (2) there is a material reduction in his annual salary. Ms. Chenyang Wang may terminate her Employment Agreement at any time with a one-month prior written notice to the Company.

Each of the Officers has agreed, at all times during the term of the employment and after the termination, to hold in the strictest confidence, and not to use, except for the benefit of the Company, or to disclose to any person, corporation or other entity without prior written consent of the Company, any confidential information defined therein.

Summary of the Equity Incentive Plans

2021 Equity Incentive Plan (the "2021 Plan")

Administration. Our board of directors will administer the 2021 Plan. The board of directors may appoint a committee as the administrator of the 2021 Plan in accordance with applicable laws. The board of directors will have the authority to determine the terms and conditions of any agreements evidencing any Awards granted under the 2021 Plan and to adopt, alter and repeal rules, guidelines and practices relating to the 2021 Plan. Our Compensation Committee will have full discretion to administer and interpret the 2021 Plan and to adopt such rules, regulations and procedures as it deems necessary or advisable.

Eligibility. Current or prospective employees, directors, officers, advisors or consultants of the Company or its affiliates are eligible to participate in the 2021 Plan.

Number of Shares Authorized. The 2021 Plan provides for an aggregate of 1,000,000 Class A ordinary shares to be available for awards, which amount is subject to automatic increase by a certain amount each calendar year pursuant to the terms of the 2021 Plan. If an award is forfeited, the Class A ordinary shares subject to such award will again be made available for future grant. Class A ordinary shares that are withheld to satisfy the participant's tax withholding obligation will not be available for re-grant under the 2021 Plan.

Each Class A ordinary share subject to an option or share appreciation right will reduce the number of Class A ordinary shares available for issuance by one share, and each Class A ordinary share underlying an award of shares and restricted share units will reduce the number of Class A ordinary shares available for issuance under the 2021 Plan by one share.

If there is any change in our corporate capitalization, the compensation committee of the Board (the "Compensation Committee") in its sole discretion may make substitutions or adjustments to the number of shares reserved for issuance under our 2021 Plan, the number of shares covered by awards then outstanding under our Plan, the limitations on awards under our 2021 Plan, the exercise price of outstanding options and such other equitable substitution or adjustments as it may determine appropriate.

The 2021 Plan has a term of ten (10) years and no further awards may be granted under the 2021 Plan after that date.

Awards Available for Grant. Our Compensation Committee may grant awards of shares, restricted share units, options, share appreciation rights, dividend equivalents, other share-based awards, or any combination of the foregoing.

Share Awards. Our Board shall have full power and authority, exercisable in its sole discretion, to grant share awards either as vested or unvested Class A ordinary shares, through direct and immediate issuances. Each share award shall be evidenced by an award agreement in the form approved by the Board. Unless our board of directors determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the restricted period, then any unvested share awards is forfeited.

Restricted Share Unit Awards. Our Board has the full power and authority, exercisable in its sole discretion, to grant restricted share unit awards evidenced by an award agreement in the form approved by the Board. Unless our Board determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the period of time over which all or a portion of the units are to be earned, then any unvested units will be forfeited.

2020 Equity Incentive Plan (the "2020 Plan")

Administration. Our Compensation Committee administers the 2020 Plan. The Compensation Committee has the authority to determine the terms and conditions of any agreements evidencing any awards granted under the 2020 Plan and to adopt, alter and repeal rules, guidelines and practices relating to the 2020 Plan. Our Compensation Committee has full discretion to administer and interpret the 2020 Plan and to adopt such rules, regulations and procedures as it deems necessary or advisable.

Eligibility. Current or prospective employees, directors, officers, advisors or consultants of the Company or its affiliates are eligible to participate in the 2020 Plan. Our Compensation Committee has the sole and complete authority to determine who will be granted an award under the 2020 Plan, however, it may delegate such authority to one or more officers of the Company under the circumstances set forth in the 2020 Plan.

Number of Shares Authorized. The 2020 Plan provides for an aggregate of One Million (1,000,000) Class A ordinary shares to be available for awards. If an award is forfeited, the Class A ordinary shares subject to such award will again be made available for future grant. Class A ordinary shares that are withheld to satisfy the participant's tax withholding obligation will not be available for re-grant under the 2020 Plan.

Each Class A ordinary share underlying an award of restricted stock, restricted stock units and stock bonus awards will reduce the number of Class A ordinary shares available for issuance under the 2020 Plan by one share.

If there is any change in our corporate capitalization, the Compensation Committee in its sole discretion may make substitutions or adjustments to the number of shares reserved for issuance under the 2020 Plan, the number of shares covered by awards then outstanding under the 2020 Plan, the limitations on awards under the 2020 Plan, the exercise price of outstanding options and such other equitable substitution or adjustments as it may determine appropriate.

The 2020 Plan has a term of ten (10) years and no further awards may be granted under the 2020 Plan after that date.

Awards Available for Grant. Our Compensation Committee may grant awards of restricted stock, restricted stock units, stock bonus awards, or any combination of the foregoing.

Restricted Stock. Our Compensation Committee is authorized to award restricted stock under the 2020 Plan. Our Compensation Committee will determine the terms of such restricted stock awards. Restricted stock are Class A ordinary shares that generally are non-transferable and subject to other restrictions determined by our Compensation Committee for a specified period. Unless our Compensation Committee determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the restricted period, then any unvested restricted stock is forfeited.

Restricted Stock Unit Awards. Our Compensation Committee will be authorized to award restricted stock unit awards. Our Compensation Committee will determine the terms of such restricted stock units. Unless our Compensation Committee determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the period of time over which all or a portion of the units are to be earned, then any unvested units will be forfeited.

Stock Bonus Awards. Our Compensation Committee will be authorized to grant awards of unrestricted Class A ordinary shares or other awards denominated in Class A ordinary shares, either alone or in tandem with other awards, under such terms and conditions as our Compensation Committee may determine.

Transferability. Each award may be exercised during the participant's lifetime only by the participant or, if permissible under applicable law, by the participant's guardian or legal representative and may not be otherwise transferred or encumbered by a participant other than by will or by the laws of descent and distribution. Our Compensation Committee, however, may permit awards to be transferred to family members, a trust for the benefit of such family members, a partnership or limited liability company whose partners or shareholders are the participant and his or her family members or anyone else approved by it.

Change in Control. Except to the extent otherwise provided in an award agreement or as determined by the Compensation Committee in its sole discretion, in the event of a change in control, all outstanding equity awards issued under the 2020 Plan will become fully vested and performance compensation awards will vest, as determined by our Compensation Committee, based on the level of attainment of the specified performance goals.

Outstanding Equity Awards at Fiscal Year-End

None.

Option Exercise and Stock Vested Table

In the fiscal year ended December 31, 2025, there was no exercise of share options, share appreciation rights or similar instruments, or vesting of shares, including restricted shares, restricted share units and similar instruments by our executive officers.

Pension Benefits

We do not offer our executive officers or employees any pension plan or similar plan that provides for payments or other benefits at, following or in connection with retirement.

Potential Payments Upon Termination or Change in Control

None.

Compensation of Directors

We do not pay our directors in connection with attending individual board meetings, but we reimburse our directors for expenses incurred in connection with such meetings. In addition to reimbursement for reasonable expenses incurred in connection with serving on the board of directors, we paid our directors who served during the fiscal year ended December 31, 2025 compensation as follows:

Director Compensation Table

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)	Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
Peter Zuguang Wang	25,000	—	—	—	—	—	25,000
Ming Zhao.	25,000	—	—	—	—	—	25,000
Charles Athle Nelson	25,000	—	—	—	—	—	25,000
Frank Shen	25,000	—		—	—	—	25,000
Zheng He.	25,000	—	—	—	—	—	25,000

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The following table sets forth the beneficial ownership of our ordinary shares by:

- each person known to us to beneficially own more than 5% of any class of our outstanding voting securities based on our review of filings with the SEC;
- each of our directors, persons chosen to become a director and named executive officers; and
- our directors and named executive officers as a group.

The numbers of ordinary shares outstanding and the percentage of beneficial ownership are based on 19,033,149 Class A ordinary shares and 6,011,740 Class B ordinary shares issued and outstanding as of March 20, 2026. Beneficial ownership is in each case determined in accordance with the rules of the SEC, and includes equity securities of which that person has the right to acquire beneficial ownership within 60 days. These securities, however, are not included in the computation of the percentage ownership of any other person. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed a beneficial owner of securities as to which he has no economic interest. The business address of each of our directors and named executive officers is 50 Millstone Road, Building 400, Suite 130, East Windsor, NJ 08512.

	Class A Ordinary Shares	Class B Ordinary Shares	Total Ordinary Shares	Percentage of Total Ordinary Shares	Percentage of Votes Held
Directors and Executive Officers:**					
Peter Zuguang Wang[(1)]	2,500	6,011,740	6,014,240	24.00%	88.76%
Raymond Z. Wang[(2)]	186,500	—	186,500	*	*
Chenyang Wang	—	—	—	—	—
Zheng He	—	—	—	—	—
Bo (Frank) Shen	2,500	—	2,500	*	*
Charles Athle Nelson	2,500	—	2,500	*	*
Ming Zhao	2,500	—	2,500	*	*
All directors and executive officers as a group:	196,500	6,011,740	6,208,240	24.79%	88.88%
5% Shareholders:					
Peter Zuguang Wang and his affiliated entity[(10)]	2,500	6,011,740	6,014,240	24.00%	88.76%

* Aggregate number of shares accounts for less than 1% of our total ordinary shares outstanding or 1% of the total outstanding votes as of the date of this Report.

** Except as otherwise indicated, the persons named in this table have sole voting and investment power with respect to all such shares shown as beneficially owned by them, subject to community property laws where applicable and to the information contained in the footnotes to this table.

(1) Represents 2,500 Class A ordinary shares directly owned by Peter Zuguang Wang and 6,011,740 Class B ordinary shares held by Trendway Capital Limited, a company incorporated in Hong Kong and wholly owned by Peter Zuguang Wang.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides certain information about ordinary shares that may be issued under our existing equity compensation plans as of December 31, 2025.

Plan Category	(a) Number of securities to be issued upon the exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	—	$ —	—
Equity compensation plans not approved by security holders	—	—	—
Total	—	$ —	—

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Material Transactions with Related Parties

The relationship and the nature of related party transactions are summarized as follows:

	Existing Relationship with the Company
Cenntro Holding Limited	Under common control of Peter Zuguang Wang
Cenntro Smart Manufacturing Tech. Co., Ltd.	Under common control of Peter Zuguang Wang
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)	Under common control of Peter Zuguang Wang
Peter Zuguang Wang	Chairman of the Board of Directors of the Company
Xinchang County Jiuhe Investment Management Partnership (LP)	Under control of Mr. Mengxing He, the General Manager of Zhejiang Zhongchai
Xinchang County Jiuxin Investment Management Partnership (LP)	Under control of Mr. Mengxing He, the General Manager and one of the directors of Zhejiang Zhongchai/Non-controlling interest of Zhejiang Zhongchai
Raymond Z. Wang	Chief Executive Officer and President
Cenntro Inc.	Under common control of Peter Zuguang Wang
Cenntro Enterprise Limited	Under common control of Peter Zuguang Wang

Summary of Balances with Related Parties

	As of	
	December 31, 2025	December 31, 2024
Due to related parties:		
Cenntro Smart Manufacturing Tech. Co., Ltd.[1]	$ —	$ 2,534
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)[2]	94,442	94,442
Cenntro Holding Limited[3]	1,341,627	1,341,627
Peter Zuguang Wang[4]	2,392,961	2,392,961
Xinchang County Jiuhe Investment Management Partnership (LP)[5]	—	5,205,979
Xinchang County Jiuxin Investment Management Partnership (LP)[6]	1,429,981	—
Raymond Z. Wang[7]	16,000	—
Total	**$ 5,275,011**	**$ 9,037,543**

All balances of due to related parties as of December 31, 2025 and 2024 were unsecured, interest-free and had no fixed terms of repayments.

The balance of due to related parties as of December 31, 2025 and December 31, 2024 consisted of:

(1) Employee wages paid by Cenntro Smart Manufacturing Tech. Co., Ltd. on the Company's behalf;
(2) Temporary borrowings from Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership);
(3) Total dividend payment of $7.6 million declared by Zhongchai Holding to Cenntro Holding Limited. As of December 31, 2019, the balance was $1.34 million, and no further payments had been made since then;
(4) Payable to Peter Zuguang Wang for capital reduction due to the dissolution of Shanghai Hengyu Business Management Consulting Co., Ltd. on July 10, 2023;
(5) Total dividend payment of $4.7 million declared by Zhejiang Zhongchai to Xinchang County Jiuhe Investment Management Partnership (LP) and refund by Zhejiang Zhongchai to Xinchang County Jiuhe Investment Management Partnership (LP) of $5.85 million due to its termination of investment in Zhejiang Zhongchai. As of December 31, 2025, the balance was nil;
(6) Total dividend payment of $1.43 million declared by Zhejiang Zhongchai to Xinchang County Jiuxin Investment Management Partnership (LP). As of December 31, 2025, the balance was $1.43 million; and
(7) Temporary borrowings from Raymond Z. Wang.

	As of	
	December 31, 2025	December 31, 2024
Due from related parties-current:		
Cenntro Inc.	840,000	—
Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership)	245,017	235,497
Cenntro Enterprise Limited	21,400	—
Total	**$ 1,106,417**	**$ 235,497**

The balance of due from related parties as of December 31, 2025 and December 31, 2024 consisted of:

Due from Cenntro Inc. was $0.84 million and nil as of December 31, 2025 and December 31, 2024, respectively. The amount of due from this related party represents a loan with an annual interest rate of 7.5% and will mature before April 14, 2026. Pursuant to a supplementary agreement between the parties, the period before April 15, 2025 shall be an interest-free period for the Advanced Funds.

Due from Zhuhai Hengzhong Industrial Investment Fund (Limited Partnership) was $0.25 million as of December 31, 2025 and December 31, 2024. The amount of due from this related party represents a loan with annual interest rate of 4.785%.

Due from Cenntro Enterprise limited was $0.02 million and nil as of December 31, 2025 and December 31, 2024, respectively. The amount of due from this related party represents expenses paid on behalf of the related party.

Summary of Related Party Dividend Payment

A summary of dividend payment declared by Zhejiang Zhongchai to related parties for the years ended December 31, 2025 and 2024 are listed below:

	For the years ended December 31,	
	2025	2024
Dividend payment to related parties:		
Xinchang County Jiuxin Investment Management Partnership (LP)	2,221,760	—
Xinchang County Jiuhe Investment Management Partnership (LP)	—	5,934,100

Employment Agreements

See “Item 11. Executive Compensation — Employment Agreements.”

Director Independence

See “Item 10. Directors, Executive Officers and Corporate Governance — Director Independence” for details.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table provides information about the fees billed to us for professional services rendered by external accounting firms during fiscal years ended December 31, 2025 and 2024:

Enrome LLP

	Year ended December 31, 2025	Year ended December 31, 2024
Audit Fees[1]	$ 280,000	$ 280,000
Audit-Related Fees[2]	—	—
Tax Fees[3]	—	—
All Other Fees[4]	—	—
Total	$ 280,000	$ 280,000

(1) *Audit Fees*. Audit fees consist of fees for the audit of our annual financial statements or services that are normally provided in connection with statutory and regulatory annual and quarterly filings or engagements.

(2) *Audit-Related Fees*. Audit-related fees consist of fees for accounting, assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported as Audit Fees.

(3) *Tax Fees*. Tax fees consist of fees for tax compliance services, tax advice and tax planning.

(4) *All Other Fees*. Any other fees not included in Audit Fees, Audit-Related Fees, or Tax Fees.

Pre-Approval Policy

Pursuant to audit committee charter, our audit committee has approved in advance all audit and non-audit related services to be provided by our independent registered public accounting firm in accordance with the audit and non-audit related services pre-approval policy.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements

We have filed the financial statements in Item 8. Financial Statements and Supplementary Data as a part of this Annual Report on Form 10-K.

(b) Exhibits

Exhibit	Exhibit Description
3.1*	Amended and Restated Memorandum and Articles of Association of the Registrant
4.1*	Description of Securities
4.2	Form of Warrant (incorporated by reference to Exhibit 4.2 to the Registration Statement on Form S-1, as amended (File Number: 333-292412, initially filed with the Securities and Exchange Commission on December 23, 2025)
10.1	Registration Rights Agreement, dated as of July 12, 2019, by and among the Company, Greenland Asset Management Corporation, in the capacity as the Purchaser Representative, and Cenntro Holding Limited (incorporated herein by reference to Exhibit 10.2 to the current report on Form 8-K (File Number: 001-38605) filed with the Securities and Exchange Commission on July 12, 2019)
10.2	Non-Competition and Non-Solicitation Agreement, dated as of July 12, 2019, executed and delivered by Cenntro Holding Limited in favor of and for the benefit of the Company, Zhongchai Holding (Hong Kong) Limited and each of Greenland Acquisition Corporation's and/or Zhongchai Holding (Hong Kong) Limited Purchaser's respective present and future affiliates, successors and direct and indirect subsidiaries (incorporated herein by reference to Exhibit 10.4 to the current report on Form 8-K (File Number: 001-38605) filed with the Securities and Exchange Commission on July 12, 2019)
10.3	Employment Agreement, dated October 24, 2019 by and between the Company and Raymond Z. Wang ((incorporated herein by reference to Exhibit 10.1 to the current report on Form 8-K (File Number: 001-38605) filed with the Securities and Exchange Commission on October 30, 2019)
10.4	Employment Agreement, dated April 22, 2025 by and between the Company and Chenyang Wang (incorporated herein by reference to Exhibit 10.4 to the Registration Statement on Form S-1, as amended, initially filed with the Securities and Exchange Commission on December 23, 2025)
10.5*	Employment Agreement, dated March 21, 2026 by and between the Company and Chenyang Wang
10.6	Indemnification Agreement dated April 22, 2025 by and between Chenyang Wang and the Company (incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 23, 2025)
10.7	Greenland Technologies Holding Corporation 2020 Equity Incentive Plan (incorporated herein by reference to Exhibit 99.1 to the registration statement on Form S-8 (File Number: 333-285640) filed with the Securities and Exchange Commission on March 7, 2025)
10.8	Greenland Technologies Holding Corporation 2021 Equity Incentive Plan (incorporated herein by reference to Exhibit 99.2 to the registration statement on Form S-8 (File Number: 333-285640) filed with the Securities and Exchange Commission on March 7, 2025)
10.9	Lease Agreement dated April 1, 2021 by and between SFA 50 Millstone Road, LLC and Greenland Technologies Corp., as amended (incorporated herein by reference to Exhibit 10.8 to the Registration Statement on Form S-1, as amended, initially filed with the Securities and Exchange Commission on December 23, 2025)
10.10	At the Market Offering Agreement by and between Greenland Technologies Holding Corporation and H.C. Wainwright & Co., LLC, dated November 19, 2021 (incorporated herein by reference to Exhibit 10.1 to the current report on Form 8-K (File Number: 001-38605) filed with the Securities and Exchange Commission on November 22, 2021)
10.11	Loan Agreement, dated as of April 15, 2025, entered into by and between Zhongchai Holding (Hong Kong) Limited and Cenntro Inc. (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 18, 2025)
10.12	Promissory Note, dated as of April 15, 2025, issued by Cenntro Inc. to Zhongchai Holding (Hong Kong) Limited (incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 18, 2025)

Exhibit	Exhibit Description
10.13*	Supplementary Agreement to the Loan Agreement, dated as of April 15, 2025, entered into by and between Zhongchai Holding (Hong Kong) limited and Cenntro Inc.
14.1	Form of Code of Business Conduct and Ethics (incorporated herein by reference to Exhibit 14.1 to the current report on Form 8-K (File Number: 001-38605) filed with the Securities and Exchange Commission on October 30, 2019)
19.1*	Insider Trading Policy of the Registrant
21.1	Subsidiaries of the Registrant (incorporated herein by reference to Exhibit 21.1 to the annual report on Form 10-K (File Number: 001-38605) filed with the Securities and Exchange Commission on April 16, 2024)
23.1*	Consent of Enrome LLP, independent registered public accounting firm
31.1*	Certification of Principal Executive Officer pursuant to pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1	Compensation Recovery Policy of the Registrant (incorporated herein by reference to Exhibit 97.1 to the annual report on Form 10-K (File Number: 001-38605) filed with the Securities and Exchange Commission on April 16, 2024)
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 23, 2026.

GREENLAND TECHNOLOGIES HOLDING CORPORATION

By: /s/ Raymond Z. Wang
Name: Raymond Z. Wang
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signatures	Title	Date
/s/ Raymond Z. Wang Raymond Z. Wang	Chief Executive Officer and President (Principal Executive Officer)	March 23, 2026
/s/ Chenyang Wang Chenyang Wang	Acting Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 23, 2026
/s/ Peter Zuguang Wang Peter Zuguang Wang	Chairman of the Board and Director	March 23, 2026
/s/ Zheng He Zheng He	Director	March 23, 2026
/s/ Ming Zhao Ming Zhao	Director	March 23, 2026
/s/ Charles Athle Nelson Charles Athle Nelson	Director	March 23, 2026
/s/ Bo (Frank) Shen Bo (Frank) Shen	Director	March 23, 2026